

**REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 4 JANUARY 2004 TO 1 JANUARY 2005
FOR
TURNERS (SOHAM) LIMITED GROUP OF COMPANIES**

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TURNERS (SOHAM) LIMITED GROUP OF COMPANIES

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FOR THE PERIOD FROM 4th JANUARY 2004 TO 1st JANUARY 2005**

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TURNERS (SOHAM) LIMITED GROUP OF COMPANIES

COMPANY INFORMATION

FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

Directors	P E Day Mrs W M Day L F Turner
Secretary	D Munns
Registered office	Fordham Road Newmarket Suffolk CB8 7NR
Company number	0439684 (England & Wales)
Auditors	Price Bailey LLP Registered Auditors & Chartered Accountants Richmond House Broad Street Ely Cambs. CB7 4AH
Bankers	Barclays Bank PLC 54 High Street Soham Ely Cambs CB7 5HE
Solicitors	Rustons & Lloyd 136 High Street Newmarket Suffolk CB8 8NN

**TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
REPORT OF THE DIRECTORS
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005**

The directors present their report with the financial statements of the company for the period 4 January 2004 to 1 January 2005.

Principal activity

The principal activity of the company and the group in the period under review was that of road hauliers.

Review of Business

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

Dividends

No dividends will be distributed for the period ended 1st January 2005.

Directors

The directors during the period under review were:

P E Day

Mrs W M Day

L F Turner

The beneficial interests of the directors holding office on 1st January 2005 in the issued share capital of the company were as follows:

1.1.05 and 4.1.04

Ordinary £1 shares

P E Day	7,500
Mrs W M Day	5,000
L F Turner	2,500

CHARITABLE DONATIONS

During the period the group made total contributions of £1,604 to United Kingdom charitable organisations.

EMPLOYEE INVOLVEMENT

The directors maintain a close dialogue with its employees regarding all matters concerning the employees' working environment within the group.

EMPLOYMENT OF DISABLED EMPLOYEES

The directors recognise their responsibilities towards disabled persons and do not discriminate against them either in terms of job offers or career prospects. If employees become disabled, every effort is made to ensure their continued employment.

**TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
REPORT OF THE DIRECTORS
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005**

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 company and the group for that period. In preparing those financial statements, the directors are required to:

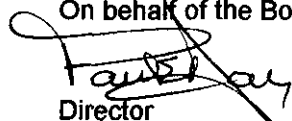
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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.

Auditors

The auditors, Price Bailey LLP, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

On behalf of the Board


Director

20th July 2005
Date

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF TURNERS (SOHAM) LIMITED

We have audited the financial statements of the Turners (Soham) Limited Group of Companies for the period ended 1st January 2005 on pages 5 to 23. 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 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 auditor's 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 3 the group'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 group 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 director's remuneration and transactions with the group or 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 and the group'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 and of the group's affairs as at 1st January 2005 and of the group's profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Bailey LLP

Price Bailey LLP
Chartered Accountants & Registered Auditors
Richmond House
Broad Street
Ely
Cambs CB7 4AH

Date *29 July 2005*

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

	Notes	Period 4.1.04 to 1.1.05		Period 29.12.02 to 3.1.04	
		£ 000's	£ 000's	£ 000's	£ 000's
Turnover: group and share of joint ventures		124,762		120,227	
Less: share of joint venture's turnover		<u>5,942</u>		<u>-</u>	
Group turnover			118,730		120,227
Cost of sales			92,794		96,135
Gross profit			<u>25,936</u>		<u>24,092</u>
Administrative expenses			12,391		12,515
			<u>13,545</u>		<u>11,577</u>
Other operating income			17		30
Group operating profit	3		<u>13,562</u>		<u>11,607</u>
Share of operating profit in joint venture			188		-
			<u>13,750</u>		<u>11,607</u>
Interest receivable: group	4		830		238
joint venture - bank interest			2		-
Interest payable: group	5		(32)		(125)
joint venture - other loan interest			(7)		-
Profit on ordinary activities before taxation			<u>14,543</u>		<u>11,720</u>
Tax on profit on ordinary activities	6		4,551		3,553
			<u>9,992</u>		<u>8,167</u>
Minority interests			(21)		(41)
Profit for the financial period after taxation			<u><u>£9,971</u></u>		<u><u>£8,126</u></u>

The retained profit for the period includes £10,469,000 (2004 - £9,253,000) dealt with in the financial statements of the holding company.

CONTINUING OPERATIONS

All of the above results derive from continuing activities and there were no material acquisitions in the period.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Profit for the financial period	9,971	8,126
Currency translation differences on foreign currency net investment	(19)	20
Total recognised gains or losses for the period	<u><u>£9,952</u></u>	<u><u>£8,146</u></u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
CONSOLIDATED BALANCE SHEET
AS AT 1 JANUARY 2005

		1.1.05		3.1.04	
	Notes	£ 000's	£ 000's	£ 000's	£ 000's
Fixed assets					
Intangible assets	7		-		618
Tangible assets	8		46,221		48,519
Investment in joint venture:					
Share of gross assets		2,761		-	
Share of gross liabilities		(2,630)		-	
			131		-
			46,352		49,137
Current assets					
Stocks	11	796		731	
Debtors	12	21,289		21,066	
Cash at bank and in hand		25,535		13,254	
		47,620		35,051	
Creditors: amounts falling due within one year	13	(18,508)		(18,697)	
Net current assets			29,112		16,354
Total assets less current liabilities			75,464		65,491
Creditors: amounts falling due after more than one year	14		(31)		(44)
Provisions for liabilities and charges	18		(4,511)		(4,498)
			70,922		60,949
Capital and reserves					
Called up share capital	19		15		15
Other reserves	20		110		110
Profit and loss account	21		70,719		60,767
Shareholders' funds - equity interests	23		70,844		60,892
Minority interest			78		57
Total capital and reserves			70,922		60,949

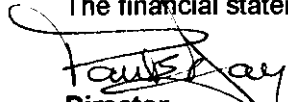
The financial statements were approved by the Board on 20th July 2005


Director

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
COMPANY BALANCE SHEET
AS AT 1 JANUARY 2005

		1.1.05		3.1.04	
	Notes	£ 000's	£ 000's	£ 000's	£ 000's
Fixed assets					
Tangible assets	9		45,244		47,231
Investments	10		191		355
			<u>45,435</u>		<u>47,586</u>
Current assets					
Stocks	11	703		667	
Debtors	12	20,229		19,696	
Cash at bank and in hand		<u>25,490</u>		<u>12,635</u>	
		46,422		32,998	
Creditors: amounts falling due within one year	13	<u>16,973</u>		<u>16,178</u>	
Net current assets			<u>29,449</u>		<u>16,820</u>
Total assets less current liabilities			74,884		64,406
Creditors: amounts falling due after more than one year	14		-		(7)
Provisions for liabilities and charges	18		(4,497)		(4,481)
			<u>£70,387</u>		<u>£59,918</u>
Capital and reserves					
Called up share capital	19		15		15
Profit and loss account	21		70,372		59,903
Shareholders' funds - equity interests	23		<u>£70,387</u>		<u>£59,918</u>

The financial statements were approved by the Board on 20th July 2005


Director

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

	Notes	Period 4.1.04 to 1.1.05		Period 29.12.02 to 3.1.04	
		£ 000's	£ 000's	£ 000's	£ 000's
Net cash inflow from operating activities	1		22,942		24,255
Returns on investment and servicing of finance	2		798		113
Taxation			(4,313)		(3,159)
Capital expenditure	2		(6,795)		(5,687)
			<u>12,632</u>		<u>15,522</u>
Financing	2		(70)		(197)
Increase in cash in the period			<u>£12,562</u>		<u>£15,325</u>
Reconciliation of net cash flow to movement in net cash	3				
Increase in cash in the period		12,562		15,325	
Cash outflow from decrease in debt and lease financing		<u>70</u>		<u>197</u>	
Change in net cash resulting from cashflows			12,632		15,522
Movement in net cash in the period			<u>12,632</u>		<u>15,522</u>
Net cash (debt) at 4 January 2004			11,662		(3,860)
Net cash at 1 January 2005			<u>£24,294</u>		<u>£11,662</u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

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

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Operating profit	13,562	11,607
Depreciation charges	10,085	9,908
(Profit) on sale of fixed assets	(374)	(183)
Exchange (loss) gain arising on consolidation	(19)	20
(Increase) in stocks	(65)	(189)
(Increase) decrease in debtors	(223)	3,433
(Decrease) in creditors	(24)	(341)
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>22,942</u>	<u>24,255</u>

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

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Returns on investment and servicing of finance		
Interest received	830	238
Interest paid	(28)	(112)
Interest element of hire purchase and finance lease rental payments	<u>(4)</u>	<u>(13)</u>
Net cash inflow from returns on investments and servicing of finance	<u>798</u>	<u>113</u>
Capital expenditure		
Purchase of tangible fixed assets	(8,051)	(7,372)
Sale of tangible fixed assets	1,256	1,685
Net cash outflow from capital expenditure	<u>(6,795)</u>	<u>(5,687)</u>
Financing		
Cash outflow from loans	(5)	(5)
Cash outflow from finance lease and hire purchases	(65)	(192)
Net cash outflow from financing	<u>(70)</u>	<u>(197)</u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

3 ANALYSIS OF CHANGES IN NET DEBT

	At 4.1.04	Cash flow	At 1.1.05
Net cash:			
Cash at bank and in hand	13,254	12,281	25,535
Bank overdrafts and loans	(1,488)	281	(1,207)
	<u>11,766</u>	<u>12,562</u>	<u>24,328</u>
Debt:			
Hire purchase and finance leases	(68)	65	(3)
Bank loans	(36)	5	(31)
	<u>(104)</u>	<u>70</u>	<u>(34)</u>
Total	<u>11,662</u>	<u>12,632</u>	<u>24,294</u>

Analysed in Balance Sheet:

Cash at bank and in hand	13,254	25,535
Bank overdrafts and loans - due within one year	(1,488)	(1,207)
Banks loans - due after one year	(36)	(31)
Hire purchase and finance leases		
- within one year	(60)	(3)
- after one year	(8)	-
	<u>11,662</u>	<u>24,294</u>

**TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005**

1 Accounting policies

Basis of consolidation

The consolidated financial statements include the company and all of its subsidiary undertakings and are prepared under the acquisition accounting basis.

Basis of accounting

The financial statements are prepared under the historical cost convention.

In accordance with Section 230 of the Companies Act 1985, a separate profit and loss account for the parent company has not been prepared, as its results are disclosed in the consolidated profit and loss account.

Turnover

Turnover represents the value of goods and services invoiced to customers, less returns, after deducting trade and other discounts and excluding value added tax.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost comprises the original purchase price and any direct costs attributable to location and condition. The group provides depreciation at various rates, which are calculated to write off the cost of the assets over the period of their expected lives as follows:

Freehold property - depreciation is provided on the buildings at the rates of 4% on a straight line basis. No depreciation is provided on land.

Plant and machinery: depreciation is provided each year on a straight line basis over 4 or 5 years.

Coldstore - depreciation is provided each year on a straight line basis over 10 - 15 years.

Motor vehicles - depreciation is provided each year at 25% of book value.

Trailers - depreciation is provided each year on a straight line basis over 10 years.

Second hand motor vehicles and trailers - depreciation is provided each year on a straight line basis over the useful economic life, assessed for each asset individually at the time of purchase.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Deferred taxation

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

Hire purchase and leasing commitments

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

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

1 Accounting policies - continued

Hire purchase and leasing commitments (continued)

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Fixed asset investments

Fixed asset investments are valued at cost less any provision for diminution in value.

Pension schemes

The group operates defined contribution and defined benefit pension schemes.

The pension cost charge of the defined contribution schemes represents the contributions payable by the group under the rules of the schemes.

The pension cost charged to the profit and loss account for the defined benefit scheme is such as to spread the cost of the pensions over employees' working lives with the group as a constant percentage of pensionable payroll.

Goodwill on consolidation

Goodwill on the consolidation of Hargrave International Transport Limited is capitalised as an intangible fixed asset and was previously amortised over its useful economic life of 20 years. Its useful economic life was reviewed during the period and five years was deemed to be more appropriate and the unamortised balance was written off to the profit and loss account.

The discount on acquisition of Lektron Services Limited has been credited to the capital reserve.

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 at arriving at the operating result.

2 Staff costs

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Wages and salaries	30,794	31,530
Social security costs	3,123	3,139
Other pension costs	235	161
	<u>34,152</u>	<u>34,830</u>

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

	Period 4.1.04 to 1.1.05 No.	Period 29.12.02 to 3.1.04 No.
Administrative staff	216	241
Operating staff	1,174	1,223
	<u>1,390</u>	<u>1,464</u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

3 Operating profit

Operating profit is after charging:

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Hire of plant and machinery	964	814
Depreciation - owned assets	9,465	9,826
Depreciation - assets on hire purchase contracts and finance leases	2	33
(Profit) on disposal of fixed assets	(374)	(183)
Goodwill amortised	618	49
(Loss) gain on foreign exchange	(19)	20
Auditors' remuneration	45	49
	<u>318</u>	<u>280</u>
Directors' emoluments		
Directors' pension contributions to money purchase schemes	3	3
	<u>111</u>	<u>98</u>
Information regarding the highest paid director is as follows:		
Emoluments etc		
	<u>1</u>	<u>1</u>

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

Money purchase schemes

4 Interest receivable - Group

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Bank interest receivable	819	233
Interest on corporation tax	7	5
Other interest	4	-
	<u>830</u>	<u>238</u>

5 Interest payable - Group

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's
Bank interest payable	20	56
Interest on director's loans	-	22
Interest on pension fund payment	7	15
Interest on corporation tax	-	19
Hire purchase and finance lease interest	5	13
	<u>32</u>	<u>125</u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

6 Taxation

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

	Period 4.1.04 to 1.1.05 £ 000's		Period 29.12.02 to 3.1.04 £ 000's	
UK corporation tax				
Current year - group - charged at 30% (2004 - 30%)	4,486		3,556	
Current year - joint venture - charged at 28.4%	52		-	
Under provision in previous years	-		3	
		4,538		3,559
Deferred taxation				
Current year	14		(6)	
(Over) provision in previous years	(1)		-	
		13		(6)
		<u>4,551</u>		<u>3,553</u>
Factors affecting the group tax charge for the year				
Profit on ordinary activities before tax		<u>14,543</u>		<u>11,720</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2004 - 30%)		<u>4,363</u>		<u>3,506</u>
Effects of				
Depreciation add back		2,894		2,879
Capital allowances		(2,668)		(2,845)
Other tax adjustments		(103)		16
		<u>123</u>		<u>50</u>
Current tax charge		<u>4,486</u>		<u>3,556</u>

7 Intangible Fixed assets - Group

Goodwill
£ 000's

Cost

At 4 January 2004 and 1 January 2005

988

Amortisation

At 4 January 2004

370

Charge for period

618

At 1 January 2005

988

Net Book Value

At 1 January 2005

0

At 3 January 2004

618

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

8 Tangible fixed assets - Group

	Freehold property	Plant and machinery	Motor vehicles & trailers	Total
	£ 000's	£ 000's	£ 000's	£ 000's
Cost				
At 4 January 2004	7,404	16,191	74,540	98,135
Additions	-	491	7,560	8,051
Disposals	-	(98)	(6,389)	(6,487)
At 1 January 2005	<u>7,404</u>	<u>16,584</u>	<u>75,711</u>	<u>99,699</u>
Depreciation				
At 4 January 2004	1,656	7,321	40,639	49,616
On disposals	-	(97)	(5,508)	(5,605)
Charge for the period	248	1,453	7,766	9,467
At 1 January 2005	<u>1,904</u>	<u>8,677</u>	<u>42,897</u>	<u>53,478</u>
Net book value				
At 1 January 2005	<u>5,500</u>	<u>7,907</u>	<u>32,814</u>	<u>46,221</u>
At 3 January 2004	<u>5,748</u>	<u>8,870</u>	<u>33,901</u>	<u>48,519</u>

Included in land and buildings is freehold land valued at £1,558,000 (2004 - £1,558,000) which is not depreciated.

The net book value of tangible fixed assets includes £18,000 (2004 - £208,000) in respect of fixed assets held under hire purchase contracts and finance leases.

9 Tangible fixed assets - Company

	Freehold property	Plant and machinery	Motor vehicles & trailers	Total
	£ 000's	£ 000's	£ 000's	£ 000's
Cost				
At 4 January 2004	6,733	15,353	72,511	94,597
Additions	-	379	7,560	7,939
Acquired from group undertaking	166	16	8	190
Disposals	-	(75)	(4,784)	(4,859)
At 1 January 2005	<u>6,899</u>	<u>15,673</u>	<u>75,295</u>	<u>97,867</u>
Depreciation				
At 4 January 2004	1,593	6,953	38,820	47,366
Acquired from group undertaking	48	9	6	63
On disposals	-	(74)	(3,883)	(3,957)
Charge for the period	227	1,218	7,706	9,151
At 1 January 2005	<u>1,868</u>	<u>8,106</u>	<u>42,649</u>	<u>52,623</u>
Net book value				
At 1 January 2005	<u>5,031</u>	<u>7,567</u>	<u>32,646</u>	<u>45,244</u>
At 3 January 2004	<u>5,140</u>	<u>8,400</u>	<u>33,691</u>	<u>47,231</u>

Included in land and buildings is freehold land valued at £1,361,000 (2004 - £1,361,000) which is not depreciated.

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

9 Tangible fixed assets - Company - continued

The net book value of tangible fixed assets includes £18,000 (2004 - £208,000) in respect of assets held under hire purchase contracts and finance leases.

10 Fixed Asset investments - Company

	2005 £ 000's	2004 £ 000's
Cost and Net Book Value		
Cost	1,446	1,446
Additions	166	-
	<u>1,612</u>	<u>1,446</u>
Less provision for diminution in value	(1,421)	(1,091)
Net book value	<u>191</u>	<u>355</u>
Unlisted investments - Shares in group and associated companies	<u>191</u>	<u>355</u>

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

Turners International BV	Country of incorporation: The Netherlands Nature of Business: Haulage Class of share: ordinary %age holding: 100%
Lektron Services Limited	Nature of Business: Non-trading Class of share: ordinary %age holding: 100%
Profresh Solutions Limited	Nature of Business: Haulage Class of share: ordinary %age holding: 50%
Turners PPL Limited	Nature of Business: Fruit packing Class of share: ordinary %age holding: 55%
Hargrave International Transport Limited	Nature of Business: Non-trading Class of share: ordinary %age holding: 100%
Fruitex (Spalding) Limited	Nature of Business: Rental of commercial property Class of share: ordinary %age holding: 100%

Fruitex (Spalding) Limited has an investment at the balance sheet date in the share capital of the following unlisted company:

Bronco's Haulage Limited	Nature of Business: Non-trading Class of share: ordinary %age holding: 100%
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TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
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10 Fixed Asset investments - Company - continued

All of the above investments are included in the consolidated financial statements, with the exception of Profresh Solutions Limited, which is accounted for as a joint venture under the gross equity method as Turners (Soham) Limited has no control over its day to day operational and financial affairs.

11 Stocks

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Fuel and spares	796	731	703	667

12 Debtors: Amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Trade debtors	19,671	19,798	18,559	17,978
Other debtors	101	92	41	36
Prepayments and accrued income	1,517	1,176	1,479	1,118
Amounts owed by group undertakings	-	-	150	564
	21,289	21,066	20,229	19,696

13 Creditors: amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Bank loans and overdrafts (see note 15)	1,207	1,488	1,037	992
Net obligations under finance lease and hire purchase contracts (see notes 16 & 17)	3	60	3	20
Trade creditors	8,376	7,017	7,446	6,393
Amounts owed to group undertakings	-	-	22	101
Corporation tax	2,061	1,888	1,994	1,675
Other taxes and social security costs	3,080	3,363	2,836	2,710
Other creditors	649	730	624	475
Accruals and deferred income	3,132	4,151	3,011	3,812
	18,508	18,697	16,973	16,178

14 Creditors: amounts falling due after more than one year

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Bank loans	31	36	-	-
Net obligations under finance lease and hire purchase contracts	-	8	-	7
	31	44	-	7

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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15 Loans and overdrafts

An analysis of the maturity of loans and overdrafts is given below:

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Amounts falling due within one year or on demand:				
Bank overdrafts	1,202	1,483	1,037	992
Bank loans	5	5	-	-
Amount falling due within two to five years:				
Bank loan	20	20	-	-
Amount falling due after five years:				
Bank loan	11	16	-	-
	<u>1,238</u>	<u>1,524</u>	<u>1,037</u>	<u>992</u>

The above bank overdrafts are secured by composite guarantee held between Turners (Soham) Limited, Hargrave International Transport Limited, Fruitex (Spalding) Limited and Lektron Services Limited, a fixed charge on the group's fixed assets and book debts, and a floating charge on all other assets of the group.

16 Obligations under hire purchase contracts and leases - Group

	Hire purchase contracts		Leases	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Gross obligations repayable:				
Within one year	-	44	4	19
Between one and five years	-	1	-	8
	<u>-</u>	<u>45</u>	<u>4</u>	<u>27</u>
Finance charges repayable:				
Within one year	-	1	1	2
Between one and five years	-	-	-	1
	<u>-</u>	<u>1</u>	<u>-</u>	<u>3</u>
Net obligations repayable				
Within one year	-	43	3	17
Between one and five years	-	1	-	7
	<u>-</u>	<u>44</u>	<u>3</u>	<u>24</u>

The hire purchase and lease liabilities are secured on the assets to which they relate.

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

	Operating leases			
	Land and buildings		Other	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Expiring:				
Within one year	-	-	22	9
Between one and five years	15	15	290	429
In more than five years	188	129	-	41
	<u>203</u>	<u>144</u>	<u>312</u>	<u>479</u>

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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17 Obligations under hire purchase contracts and leases - Company

	Hire purchase contracts		Leases	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Gross obligations repayable:				
Within one year	-	3	4	19
Between one and five years	-	1	-	7
	-	4	4	26
Finance charges repayable:				
Within one year	-	-	1	2
Between one and five years	-	-	-	1
	-	-	1	3
Net obligations repayable				
Within one year	-	3	3	17
Between one and five years	-	1	-	6
	-	4	3	23

The hire purchase and lease liabilities are secured on the assets to which they relate.

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

	Operating leases		Other	
	Land and buildings			
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Expiring:				
Within one year	-	-	22	9
Between one and five years	15	15	206	353
In more than five years	188	129	-	41
	203	144	228	403

18 Provisions for liabilities and charges

	Group		Company	
	2005	2004	2005	2004
	£ 000's	£ 000's	£ 000's	£ 000's
Deferred Taxation	4,511	4,498	4,497	4,481
			Group deferred taxation £'000's	Company deferred taxation £'000's
At 4 January 2004			4,498	4,481
Movement during the period - accelerated capital allowances			13	16
At 1 January 2005			4,511	4,497

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
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19	Share capital	2005 £'000's	2004 £'000's
	Authorised:		
	25,000 Ordinary Shares of £1 each	<u>25</u>	<u>25</u>
	Allotted, called up and fully paid:	2005 £'000's	2004 £'000's
	15,000 Ordinary Shares of £1 each	<u>15</u>	<u>15</u>

20	Other reserves	Group	
		2005 £ 000's	2004 £ 000's
	Brought forward	110	227
	Transfer to profit and loss account	-	(117)
		<u>110</u>	<u>110</u>

21	Profit and loss account	Group		Company	
		2005 £ 000's	2004 £ 000's	2005 £ 000's	2004 £ 000's
	Brought forward	60,767	52,504	59,903	50,650
	Profit for the year	9,992	8,167	10,469	9,253
	Minority interest	(21)	(41)	-	-
	Exchange (loss) gain on consolidation	(19)	20	-	-
	Transfer from other reserves	-	117	-	-
		<u>70,719</u>	<u>60,767</u>	<u>70,372</u>	<u>59,903</u>

22 Pension commitments

a) Defined contribution

During the period the company operated six defined contribution pension schemes and made payments to Personal Pension Plans. The assets of each scheme were held separately from those of the company in independently administered funds. The pension cost charge includes contributions payable by the company to the funds and amounted to £108,661 (2004 - £127,000). Contributions totalling £6,253 (2004 - £17,641) were payable to the funds at the period end.

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

22 Pension commitments (continued)

b) Defined benefit

The company sponsors the Turners (Soham) Limited Pension and Life Assurance Fund which is a defined benefit pension arrangement. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 1 July 2003 and has been updated by reference to data as at 1 January 2005.

The contributions made by the employer over the financial period to 1 January 2005 were £130,628 less the amounts contributed by the members. Contributions of £10,600 per annum are to be paid until reviewed following the actuarial valuation of the scheme due as at 1 July 2006.

The transitional arrangements of the new accounting standard FRS17 require disclosure of assets and liabilities as at 1 January 2005 calculated in accordance with the requirements of FRS17. They also require disclosure of the items which would appear in the profit and loss account and in the statement of total recognised gains and losses were the full requirements of FRS 17 in place. For the purpose of these financial statements, all of the figures are illustrative only and do not impact on the actual balance sheet at 1 January 2005 or on this period's performance statements.

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	1.1.05	3.1.04	28.12.02	29.12.01
Inflation	3%	3%	2.75%	3%
Salary increases	-	5%	5%	5%
Rate of discount	5.5%	5.5%	5.5%	6%
Pension in payment increases				
- For service before 1 July 1991	2.50%	2.50%	2.50%	2.50%
- For service from 1 July 1991	5%	5%	5%	5%
Revaluation rate for deferred pensioners	5%	5%	5%	5%

Illustrative balance sheet figures

	1.1.05 £ 000's	3.1.04 £ 000's	28.12.02 £ 000's	29.12.01 £ 000's
Assets	1,109	879	760	699
Liabilities	(1,197)	(1,320)	(1,058)	(817)
Recoverable (deficit) in scheme	(88)	(441)	(298)	(118)
Related deferred tax asset	26	132	89	35
Net pension (liability)	(62)	(309)	(209)	(83)

If the amounts above had been recognised in the financial statements, the group's net assets and profit and loss reserve at each period end would be as follows:

	1.1.05 £ 000's	3.1.04 £ 000's	28.12.02 £ 000's	29.12.01 £ 000's
Net assets excluding pension liability	70,922	60,949	52,762	46,808
Pension (liability)	(62)	(309)	(209)	(83)
Net assets including pension liability	70,860	60,640	52,553	46,725

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

22 Pension commitments (continued)

	1.1.05 £ 000's	3.1.04 £ 000's	28.12.02 £ 000's	29.12.01 £ 000's
Profit and loss reserve excluding pension liability	70,719	60,767	52,504	46,496
Pension reserve	(62)	(309)	(209)	(83)
Profit and loss reserve	<u>70,657</u>	<u>60,458</u>	<u>52,295</u>	<u>46,413</u>

Assets

	1.1.05	3.1.04	28.12.02	29.12.01
Insurance policy	100%	100%	100%	100%

Expected long-term rate of return

	1.1.05	3.1.04	28.12.02	29.12.01
Insurance policy	6%	6%	6.5%	6.5%

Illustrative charge to the profit and loss account over the financial periods

Operating profit

	Period 4.1.04 to 1.1.05 £ 000's	Period 29.12.02 to 3.1.04 £ 000's	Period 30.12.01 to 28.12.02 £ 000's
Current service cost	(45)	(42)	(29)
Gains on settlements and curtailments	88	-	-
Total operating credit (charge)	<u>43</u>	<u>(42)</u>	<u>(29)</u>
Other finance income			
Expected return on pension scheme assets	54	50	46
Interest on pension scheme liabilities	(75)	(59)	(50)
Net finance income	<u>(21)</u>	<u>(9)</u>	<u>(4)</u>

Illustrative amounts which would be included within the statement of total recognised gains and losses

	Period from 4.1.04 to 1.1.05		Period from 29.12.02 to 3.1.04	
	£ 000's	Percentage	£ 000's	Percentage
Difference between expected and actual return on assets (% of assets at period end)	46	4.1%	57	6.5%
Experience gains and losses arising on the scheme liabilities (% of liabilities at period end)	-	-	(161)	12.2%
Gain (loss) from changes in the demographic and financial assumptions underlying the present value of the scheme liabilities (% of liabilities at period end)	155	12.9%	-	-
Total	<u>201</u>	16.8%	<u>(104)</u>	7.9%

TURNERS (SOHAM) LIMITED GROUP OF COMPANIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD FROM 4TH JANUARY 2004 TO 1ST JANUARY 2005

22 Pension commitments (continued)

Movement in illustrative balance sheet surplus figures during the period

	1.1.05 £ 000's	3.1.04 £ 000's
(Deficit) in scheme at beginning of period	(441)	(298)
Movement in year:		
Current service cost	(45)	(42)
Settlements/Curtailments	88	-
Contributions	130	12
Net return	(21)	(9)
Actuarial loss	201	(104)
(Deficit) in scheme at end of period	<u>(88)</u>	<u>(441)</u>

23 Reconciliation of movements in shareholders' funds

	Group		Company	
	2005 £ 000's	2004 £ 000's	2005 £ 000's	2004 £ 000's
Profit for the financial period	9,971	8,126	10,469	9,253
Exchange gain (loss) arising on consolidation	(19)	20	-	-
Net addition to shareholders' funds	<u>9,952</u>	<u>8,146</u>	<u>10,469</u>	<u>9,253</u>
Opening shareholders' funds	<u>60,892</u>	<u>52,746</u>	<u>59,918</u>	<u>50,665</u>
Closing shareholders' funds	<u>70,844</u>	<u>60,892</u>	<u>70,387</u>	<u>59,918</u>
Equity interests	<u>70,844</u>	<u>60,892</u>	<u>70,387</u>	<u>59,918</u>

24 Capital commitments

	2005 £'000's	2004 £'000's
Contracted for but not provided at the Balance Sheet date	<u>1,085</u>	<u>-</u>

25 Contingent Liabilities

The group's bankers have issued a guarantee of £5,075,000 (2004 - £3,075,000) to the group's insurers to cover those third party motor and employer and public liability claims which are settled by the insurer but are the responsibility of the Group. All known liabilities as at the balance sheet date are included in these accounts.