

**Vision Logistics Limited (formerly Resource  
Development Systems Limited)**

Report and Financial Statements

Year Ended

28 February 2001

3021471.



**BDO Stoy Hayward**  
Chartered Accountants

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Annual report and financial statements for the year ended 28 February 2001**

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**Contents**

**Page:**

2	Report of the directors
4	Report of the independent auditors
6	Profit and loss account
7	Balance sheet
8	Notes forming part of the financial statements

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**Director**

G.Aston

**Secretary and registered office**

G.Aston  
Thornton House, Cemetery Road, Shelton, Stoke-on-Trent, Staffordshire, ST4 2DL

**Company number**

03021471

**Auditors**

BDO Stoy Hayward, Commercial Buildings, 11-15 Cross Street, Manchester, M2 1WE

**Trading Address**

Thornton House, Cemetery Road, Shelton, Stoke-on-Trent, Staffordshire, ST4 2DL

**Bankers**

National Westminster Bank, 160 Longton Road, Trentham, Stoke-on-Trent, ST4 8BU

# Vision Logistics Limited (formerly Resource Development Systems Limited)

## Report of the directors for the year ended 28 February 2001

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The directors present their report together with the audited financial statements for the year ended 28 February 2001.

### Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year.

### Principal activities, review of business and future developments

The company's principal activity is the provision of computer systems.

On 12 April 2000 the whole of the issued share capital was acquired by Vision Logistics Group Inc., a subsidiary undertaking of Vision Logistics SCMS Inc, incorporated in Canada. On 1 November 2000 the company changed its name from Resource Development Systems Limited to Vision Logistics Limited.

### Directors

The directors of the company during the year and their beneficial interests in the ordinary share capital of the company were:

		Ordinary shares of £1 each	
		28 February 2001	29 February 2000
G.Aston		-	1
M.J.Aston	(Resigned 1 January 2001)	-	1
G.Molnar	(Appointed 1 January 2001- resigned 28 September 2001)	-	-

### 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Report of the directors for the year ended 28 February 2001 (*Continued*)**

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**Auditors**

BDO Stoy Hayward were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

**On behalf of the board**

A handwritten signature in black ink, appearing to be 'G. Aston', written over a horizontal line.

G.Aston

**Director**

24 June 2002

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Report of the independent auditors**

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**To the shareholders of Vision Logistics Limited (formerly Resource Development Systems Limited)**

We have audited the financial statements of Vision Logistics Limited (formerly Resource Development Systems Limited) for the year ended 28 February 2001 on pages 6 to 15 which have been prepared under the accounting policies set out therein.

*Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 Directors' Report 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 Directors' Report 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.

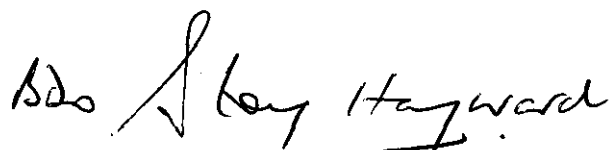
Vision Logistics Limited (formerly Resource Development Systems Limited)

Report of the independent auditors (*Continued*)

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*Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 February 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'BDO Stoy Hayward', is written over a horizontal line.

**BDO STOY HAYWARD**

*Chartered Accountants  
and Registered Auditors*  
Manchester

*25 June 2002*

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Profit and loss account for the year ended 28 February 2001**

	Note	2001 £	2000 £
<b>Turnover</b>	2	565,408	1,150,789
Cost of sales		383,810	515,249
		<hr/>	<hr/>
<b>Gross profit</b>		181,598	635,540
Administrative expenses		335,140	191,642
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>	3	(153,542)	443,898
Other interest receivable and similar income	6	6,322	3,100
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before taxation</b>		(147,220)	446,998
Taxation on (loss)/profit on ordinary activities	7	(30,724)	100,920
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities after taxation for the year</b>		(116,496)	346,078
Dividends	8	-	80,000
		<hr/>	<hr/>
<b>(Accumulated loss)/retained profit for the financial year</b>		(116,496)	266,078
Retained profits brought forward		280,542	14,464
		<hr/>	<hr/>
<b>Retained profits carried forward</b>		164,046	280,542
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the loss/profit for the year.

The notes on pages 8 to 15 form part of these financial statements.

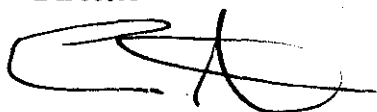
**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Balance sheet at 28 February 2001**

	Note	2001 £	2001 £	2000 £	2000 £
<b>Fixed assets</b>					
Tangible assets	9		128,212		100,315
<b>Current assets</b>					
Stocks	10	13,695		10,738	
Debtors	11	230,557		282,967	
Cash at bank and in hand		21,277		182,285	
		<u>265,529</u>		<u>475,990</u>	
<b>Creditors: amounts falling due within one year</b>	12	229,693		293,681	
<b>Net current assets</b>			<u>35,836</u>		<u>182,309</u>
<b>Total assets less current liabilities</b>			<u>164,048</u>		<u>282,624</u>
<b>Provision for liabilities and charges</b>	13		-		2,080
			<u>164,048</u>		<u>280,544</u>
<b>Capital and reserves</b>					
Called up share capital	14		2		2
Profit and loss account			164,046		280,542
<b>Equity shareholders' funds</b>			<u>164,048</u>		<u>280,544</u>

The financial statements were approved by the Board on *24 June 2002*

**G.Aston**  
**Director**



The notes on pages 8 to 15 form part of these financial statements.



## 1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

### *Turnover*

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. The turnover is comprised of three distinct activities, these are as shown below along with their respective accounting policy :-

- The sale of hardware to support logistical software applications. This turnover is recognised at the point of despatch.
- The conception, design and implementation of logistics software. This turnover is recognised once a system has been installed and approved by the customer.
- The provision of software/hardware support for logistical systems. This turnover is recognised in the year that it relates to. Turnover relating to future years is credited to the balance sheet and is shown under Accruals and Deferred Income.

### *Depreciation*

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Motor vehicles	- 25% straight line basis
Fixtures, fittings & equipment	- 15% reducing balance basis

### *Stocks and work in progress*

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

### *Pensions*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Notes forming part of the financial statements for the year ended 28 February 2001 (Continued)**

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**2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

The turnover comprises of income received for the development of bespoke logistics software, service contracts for previously installed software and the sale of standard logistics software.

**3 Operating (loss)/profit**

This is arrived at after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets	27,675	13,231
Hire of other assets - operating leases	48,000	12,383
Auditors' remuneration - audit services	9,097	3,600
	<u>          </u>	<u>          </u>

**4 Employees**

Staff costs (including directors) consist of:

	2001 £	2000 £
Wages and salaries	274,530	220,764
Social security costs	3,810	5,084
Other pension costs	4,068	2,644
	<u>          </u>	<u>          </u>
	282,408	228,492
	<u>          </u>	<u>          </u>

The average number of employees (including directors) during the year was 16 (2000 - 13).

**5 Directors' remuneration**

	2001 £	2000 £
Directors' emoluments	40,000	50,000
	<u>          </u>	<u>          </u>

Vision Logistics Limited (formerly Resource Development Systems Limited)

Notes forming part of the financial statements for the year ended 28 February 2001 (*Continued*)

6 Other interest receivable and similar income

	2001 £	2000 £
Bank deposits	6,322	3,100

7 Taxation on (loss)/profit on ordinary activities

	2001 £	2000 £
<i>UK Corporation tax</i>		
Current year		
Current tax (recoverable)/payable	(46,509)	100,032
Prior years		
UK Corporation tax	17,865	(312)
Transfer to deferred taxation account	(2,080)	1,200
	<u>(30,724)</u>	<u>100,920</u>

8 Dividends

	2001 £	2000 £
<i>Equity shares</i>		
Ordinary shares		
Dividends £Nil (2000 - £40,000) per share	-	80,000

Vision Logistics Limited (formerly Resource Development Systems Limited)

Notes forming part of the financial statements for the year ended 28 February 2001 (*Continued*)

9 Tangible fixed assets

	Motor vehicles	Fixtures, fittings & equipment	Total
	£	£	£
<i>Cost</i>			
At 1 March 2000	69,995	44,096	114,091
Additions	20,400	35,172	55,572
	<hr/>	<hr/>	<hr/>
At 28 February 2001	90,395	79,268	169,663
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 March 2000	8,750	5,026	13,776
Provided for the year	20,411	7,264	27,675
	<hr/>	<hr/>	<hr/>
At 28 February 2001	29,161	12,290	41,451
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 28 February 2001	61,234	66,978	128,212
	<hr/>	<hr/>	<hr/>
At 29 February 2000	61,245	39,070	100,315
	<hr/>	<hr/>	<hr/>

10 Stocks

	2001 £	2000 £
Contract work in progress	13,695	10,738
	<hr/>	<hr/>

Vision Logistics Limited (formerly Resource Development Systems Limited)

Notes forming part of the financial statements for the year ended 28 February 2001 (Continued)

11 Debtors

	2001 £	2000 £
Amounts receivable within one year		
Trade debtors	51,113	153,799
Amount owed by connected companies	23,036	3,000
Other debtors	-	33,244
Prepayments and accrued income	17,499	347
Corporation tax recoverable	46,509	-
	<hr/>	<hr/>
	138,157	190,390
Amounts receivable after more than one year		
Amounts owed by connected companies (Note 18)	92,400	92,577
	<hr/>	<hr/>
	230,557	282,967
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	30,118	71,386
Amounts owed to group undertakings	61,490	-
Taxation and social security	26,688	44,272
Corporation tax	-	99,568
Directors loans	339	-
Other creditors	89,078	71,455
Accruals and deferred income	21,980	7,000
	<hr/>	<hr/>
	229,693	293,681
	<hr/>	<hr/>

The Directors loan account relates to G.Aston. At the year end the balance owed to the company was £339. The maximum outstanding from the director during the year was £2,075.

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Notes forming part of the financial statements for the year ended 28 February 2001 (Continued)**

**13 Provision for liabilities and charges**

	Deferred taxation
	£
At 29 February 2000	2,080
Utilised in year	(2,080)
	<u>          </u>

There is no provided or unprovided deferred tax.

**14 Share capital**

	2001 £	2000 £	2001 £	Allotted, called up and fully paid 2000 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	1,000	1,000	2	2
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**15 Reconciliation of movements in shareholders' funds**

	2001 £	2000 £
(Loss)/profit for the year	(116,496)	346,078
Dividends	-	(80,000)
	<u>          </u>	<u>          </u>
	(116,496)	266,078
Opening shareholders' funds	280,544	14,466
	<u>          </u>	<u>          </u>
Closing shareholders' funds	164,048	280,544
	<u>          </u>	<u>          </u>

## Vision Logistics Limited (formerly Resource Development Systems Limited)

### Notes forming part of the financial statements for the year ended 28 February 2001 (Continued)

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#### 16 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £4,068 (2000 - £2,644).

At 28 February 2001 there were unpaid pension contributions of £1,685 (2000 - £1,500).

#### 17 Commitments under operating leases

As at 28 February 2001, the company had annual commitments under non-cancellable operating leases as set out below:

	2001 Land and buildings £	2000 Land and buildings £
Operating leases which expire:		
After five years	48,000	-

#### 18 Related party disclosures

During the year a management charge of £45,450 (2000 - £20,000) was accepted by the company from Resource Development Systems, a business in which Mr G and Mrs MJ Aston are partners. In addition to the management charges a payment of £7,835 was made on behalf Vision Logistics Limited, and computer equipment valued at £10,000 was purchased from Resource Development Systems. At the year end the balance owed by the partnership was £Nil (2000 - £Nil).

During the year services were purchased from Response Computer Services Limited with a value of £4,808, a business in which Mr G Aston is both a shareholder and director. At the year end the balance owed by Response Computer Services Limited was £Nil (2000 : £Nil).

A further loan of £5,115 (2000 - £49,550) was made to Unitvision Limited during the year, a company in which Mr G Aston is a 47% shareholder and a director. Charges were accepted from that company amounting to £48,000 in respect of rent (2000 - £18,120). Recharges made to that company during the year amounted to £Nil (2000 - £1,457). Payments made during the year on behalf of Unitvision Limited amounted to £1,700 (2000 - £Nil). The amount owing by that company at 28 February 2001 was £92,400 (2000 - £92,577). The loan was used to purchase and improve freehold property which is rented to the company.

During the year a management charge of £37,490 was accepted by the company from Aston-Molnar Limited, a business in which Mr G Aston and Mr G Molnar are both shareholders and directors. At the year end the balance owed by Aston-Molnar Limited was £Nil (2000 : £Nil).

**Vision Logistics Limited (formerly Resource Development Systems Limited)**

**Notes forming part of the financial statements for the year ended 28 February 2001 (*Continued*)**

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**18 Related party disclosures (*continued*)**

During the year a contribution of £15,042 in relation to group legal costs was made to Vision Canada Inc., a fellow subsidiary. At the year end the balance owed by Vision Canda Inc., was £18,036 (2000 :£3,000).

During the year a loan of £5,000 was granted to Vision Logistics Australasia Pty.Limited. At the year end the balance owed by Vision Logistics Australasia Pty.Limited was £5,000 (2000 : £Nil).

During the year a loan of £160,047 was obtained from Vision Logistics Group Inc. In addition to the loan, a management charge of £5,409 was accepted from Vision Logistics Group Inc. At the year end the balance owed to Vision Logistics Group Inc., was £61,490 (2000 : £Nil).

During the year G Aston a director and shareholder of the company incurred expenses of £2,503 on behalf of the company. At the year end the balance owed to G Aston was £338 (2000 : £Nil).

**19 Ultimate parent company**

At 28 February 2001 the company's immediate parent company was Vision Logistics Group Inc., and the company's ultimate parent company was Vision Logistics SCMS Inc. Vision Logistics SCMS Inc is the parent of both the smallest and largest groups of which the company is a member.

Both Vision Logistics Group Inc., and Vision Logistics SCMS Inc. are incorporated in Canada.