



**NORTH BRIDGE WAREHOUSING
COMPANY LIMITED**

Report and Financial Statements

30 November 1997

**Deloitte & Touche
10-12 East Parade
Leeds
LS1 2AJ**





REPORT AND FINANCIAL STATEMENTS 1997

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I J Blakey
P M Blakey
J S Blakey

SECRETARY

M D Frankish

REGISTERED OFFICE

Fleet House
Woodhouse Street
Hedon Road
Hull
North Humberside
HU9 1RJ

AUDITORS

Deloitte & Touche
Chartered Accountants
10-12 East Parade
Leeds
LS1 2AJ



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 November 1997.

ACTIVITIES

The principal activities of the group in the year under review was that of road hauliers and warehousing. In addition the group holds several investment properties from which it receives rent.

REVIEW OF DEVELOPMENTS

The directors are satisfied with the result for the year which is shown on page 5 to the financial statements, and with the position at the year end.

DIVIDENDS AND TRANSFERS TO RESERVES

The result for the year is shown in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (1996: £Nil). The group's trading loss for the year will be deducted from reserves.

FUTURE PROSPECTS

The directors consider the group and the company's future prospects to be satisfactory.

FIXED ASSETS

All changes in fixed assets are set out in notes 8 and 9 to the accounts on pages 14 and 15.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year, together with their interests in the share capital of the company are as follows:

	Ordinary shares of £1 each	
	1997	1996
I J Blakey	-	-
J S Blakey	7,347	7,347
P M Blakey	2,653	2,653

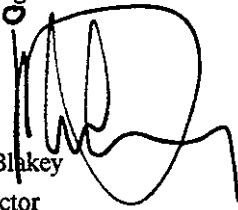
POST BALANCE SHEET EVENT

On 9 April 1998 a building owned by North Bridge Warehousing Company Limited, Craven Court, was sold to I J and P M Blakey who are both directors and shareholders of North Bridge Warehousing Company Limited. The sale proceeds were £440,000 resulting in a profit on sale of £20,000.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board


J S Blakey
Director

3 September 1998

**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 group as at the end of the financial year 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 group 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 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



AUDITORS' REPORT TO THE MEMBERS OF

NORTH BRIDGE WAREHOUSING COMPANY LIMITED

We have audited the financial statements on pages 5 to 20 which have been prepared under the accounting policies set out on pages 11 and 12.

Respective responsibilities of directors and auditors

As described on page 3 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 affairs of the company and of the group as at 30 November 1997 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants
and Registered Auditors

4 September 1998


CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 November 1997

	Note	1997 £	1996 £
TURNOVER: continuing operations	2	2,841,095	2,716,864
Cost of sales		<u>2,247,459</u>	<u>2,156,000</u>
Gross profit		593,636	560,864
Administrative expenses		440,822	538,318
Other operating income		<u>(6,759)</u>	<u>(4,729)</u>
		434,063	533,589
OPERATING PROFIT: continuing operations	4	159,573	27,275
Interest receivable and similar income	5	1,905	-
Interest payable and similar charges	6	<u>(165,298)</u>	<u>(137,376)</u>
		(163,393)	(137,376)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,820)	(110,101)
Tax on loss on ordinary activities	7	<u>-</u>	<u>897</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR		<u>(3,820)</u>	<u>(110,998)</u>


STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 30 November 1997

	1997 £	1996 £
Loss for the financial year	(3,820)	(110,998)
Deficit arising on revaluation of fixed assets	-	(28,500)
Total recognised gains and losses relating to the year	<u>(3,820)</u>	<u>(139,498)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
Year ended 30 November 1997

	1997 £	1996 £
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(3,820)	(110,101)
Realisation of commercial vehicle revaluation gains of previous years	714	32,942
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>16,965</u>	<u>34,215</u>
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>13,859</u>	<u>(42,944)</u>
Historical cost profit/(loss) for the year after taxation	<u>13,859</u>	<u>(43,841)</u>


**CONSOLIDATED BALANCE SHEET
30 November 1997**

	Note	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible assets	8		2,148,171		1,853,011
CURRENT ASSETS					
Stocks	10	16,424		12,239	
Debtors	11	593,881		529,766	
Cash at bank and in hand		40,579		863	
		<u>650,884</u>		<u>542,868</u>	
CREDITORS: amounts falling due within one year	12	<u>2,083,094</u>		<u>1,823,085</u>	
NET CURRENT LIABILITIES			<u>(1,432,210)</u>		<u>(1,280,217)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			715,961		572,794
CREDITORS: amounts falling due after more than one year	13		377,883		229,487
ACCRUALS AND DEFERRED INCOME	16		<u>69,013</u>		<u>70,422</u>
			<u>269,065</u>		<u>272,885</u>
CAPITAL AND RESERVES					
Called up share capital	17		10,000		10,000
Merger reserve	18		37,553		37,553
Capital reserve	18		45,984		45,984
Revaluation reserve	18		439,978		457,657
Profit and loss account	18		<u>(264,450)</u>		<u>(278,309)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>269,065</u>		<u>272,885</u>

These financial statements were approved by the Board of Directors on 3 September 1998

Signed on behalf of the Board of Directors

J S Blakey
Director


BALANCE SHEET
30 November 1997

	Note	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible assets	8		1,237,200		1,239,000
Investments	9		252,946		252,946
			<u>1,490,146</u>		<u>1,491,946</u>
CURRENT ASSETS					
Debtors	11	14,683		13,892	
Cash at bank and in hand		474		464	
		<u>15,157</u>		<u>14,356</u>	
CREDITORS: amounts falling due within one year	12	<u>1,398,115</u>		<u>1,275,622</u>	
NET CURRENT LIABILITIES			<u>(1,382,958)</u>		<u>(1,261,266)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			107,188		230,680
CREDITORS: amounts falling due after more than one year			-		-
ACCRUALS AND DEFERRED INCOME	16		69,013		70,422
			<u>38,175</u>		<u>160,258</u>
CAPITAL AND RESERVES					
Called up share capital	17		10,000		10,000
Merger reserve	18		37,553		37,553
Revaluation reserve	18		369,504		369,504
Profit and loss account	18		(378,882)		(256,799)
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>38,175</u>		<u>160,258</u>

These financial statements were approved by the Board of Directors on 3 September 1998

Signed on behalf of the Board of Directors

J S Blakey

Director


CONSOLIDATED CASH FLOW STATEMENT
Year ended 30 November 1997

	Note	1997 £	Restated 1996 £
Net cash inflow from operating activities	1	<u>267,324</u>	<u>126,747</u>
Returns on investments and servicing of finance			
Interest received		1,905	-
Interest paid		(123,292)	(113,040)
Interest element of hire purchase contracts		<u>(42,006)</u>	<u>(24,336)</u>
Net cash outflow from returns on investments and servicing of finance		<u>(163,393)</u>	<u>(137,376)</u>
Taxation			
Corporation tax paid (including advance corporation tax)		<u>-</u>	<u>(7,126)</u>
Capital expenditure			
Payments to acquire tangible fixed assets		(11,416)	(18,274)
Receipts from sales of tangible fixed assets		<u>38,000</u>	<u>51,753</u>
Net cash inflow from capital expenditure		<u>26,584</u>	<u>33,479</u>
Net cash inflow before financing		<u>130,515</u>	<u>15,724</u>
Financing			
Loan repayments in year		(2,283)	-
Capital element of hire purchase contracts		(166,220)	(132,064)
Directors' loan		<u>-</u>	<u>40,000</u>
Net cash outflow from financing		<u>(168,503)</u>	<u>(92,064)</u>
Decrease in cash	2	<u>(37,988)</u>	<u>(76,340)</u>


NOTES TO THE CASH FLOW STATEMENT
Year ended 30 November 1997
1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1997 £	1996 £
Operating profit	159,573	27,275
Depreciation charges	145,757	110,330
(Profit)/loss on sale of tangible fixed assets	(2,577)	44,180
(Increase) in stocks	(4,185)	(3,990)
(Increase)/decrease in debtors	(64,115)	32,796
Increase/(decrease) in creditors	34,280 72,360	(82,378)
Release of deferred Government grants	(1,409)	(1,466)
Net cash inflow from operating activities	267,324	126,747

2. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	1997 £
Decrease in cash for the period	(37,988)
Cash outflow from decrease in debt and hire purchase contracts	168,503
New hire purchase contracts	(464,924)
Change in net debt	(334,409)
Net debt at 1 December 1996	(1,684,344)
Net debt at 30 November 1997	(2,018,753)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 December 1996 £	Cash flows £	Other flows £	At 30 November 1997 £
Cash at bank and in hand	863	39,716	-	40,579
Overdraft	(758,357)	(77,704)	-	(836,061)
	<u>(757,494)</u>	<u>(37,988)</u>	<u>-</u>	<u>(795,482)</u>
Debt due within one year	(626,594)	2,283	(40,000)	(664,311)
Debt due after one year	(40,000)	-	40,000	-
Hire purchase contracts	(260,256)	166,220	(464,924)	(558,960)
	<u>(926,850)</u>	<u>168,503</u>	<u>(464,924)</u>	<u>(1,223,271)</u>
Total	(1,684,344)	130,515	(464,924)	(2,018,753)

4. NON CASH TRANSACTIONS

During the year the group entered into hire purchase contracts in respect of assets with a total capital value at inception of £464,924 (1996: £259,449).

**NOTES TO THE ACCOUNTS**
Year ended 30 November 1997**1. ACCOUNTING POLICIES**

The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention modified for the revaluation of freehold property, freehold investment property and commercial vehicles and trailers.

Basis of consolidation

The group financial statements consist of a consolidation of the financial statements of the company and all its subsidiaries made up to 30 November 1997.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Freehold buildings	2% straight line
Commercial vehicles and trailers	10% - 14% straight line
Motor vehicles	20%-25% straight line
Plant and machinery	10% straight line

There is no depreciation on freehold land.

Investment properties

In accordance with Statement of Standard Accounting Practice 19 (SSAP 19), investment properties are revalued annually and the aggregate surplus or deficit is transferred to revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost represents the cost of the raw material. Net realisable value is based on estimated selling price less relevant marketing, selling and distribution costs.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

Leases

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to income in equal annual amounts over the lease term.


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
1. ACCOUNTING POLICIES (continued)
Pension costs

The group's pension scheme is of the defined contribution type. Contributions are charged to the profit and loss account as incurred.

Grants

Income grants received are credited to revenue by reducing the cost to which they relate. Government grants on capital expenditure are credited to a deferred account and are released to revenue over the expected useful lives of the relevant assets by equal amounts.

Restatement of comparatives

The comparative figures in the cash flow statement have been restated to comply with the requirements of FRS1 (revised 1996).

2. TURNOVER

Turnover represents amounts derived from the provision of goods and services which fall within the group's ordinary activities after deduction of trade discounts and value added tax. The turnover and pre-tax loss, all of which arise in the United Kingdom, are wholly attributable to the group's principal activities.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	1997 £	1996 £
Directors' emoluments		
Fees	112,000	148,200
Other emoluments	1,245	1,245
Benefits in kind	16,134	12,539
	<u>129,379</u>	<u>161,984</u>
	No	No
The number of directors who are members of a defined contribution scheme	<u>2</u>	<u>2</u>
Average number of persons employed		
Sales and distribution	38	38
Administration	9	11
	<u>47</u>	<u>49</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	927,473	939,380
Social security costs	85,531	103,725
Pension costs	7,517	6,268
	<u>1,020,521</u>	<u>1,049,373</u>



NOTES TO THE ACCOUNTS
Year ended 30 November 1997

4. OPERATING PROFIT

	1997 £	1996 £
Operating profit is after charging/(crediting):		
Depreciation and amortisation		
Owned assets	74,687	76,350
Leased assets	71,070	33,980
(Profit)/loss on disposal of fixed assets	(2,577)	44,180
Rentals under operating leases		
Hire of plant and machinery	99,969	90,670
Grant amortisation	(1,409)	(1,466)
Auditors' remuneration	14,000	12,000
	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1997 £	1996 £
Bank interest receivable	1,905	-
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1997 £	1996 £
Bank loans, overdrafts and other loans repayable within five years	123,292	113,040
Finance leases and hire purchase contracts	42,006	24,336
	<u> </u>	<u> </u>
	165,298	137,376
	<u> </u>	<u> </u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1997 £	1996 £
United Kingdom corporation tax charge based on the result for the year	-	-
Prior year adjustment	-	897
Deferred taxation	-	-
	<u> </u>	<u> </u>
	-	897
	<u> </u>	<u> </u>


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
8. TANGIBLE FIXED ASSETS
The Group

	Freehold land and buildings £	Freehold investment properties £	Plant and machinery £	Commercial and motor vehicles and trailers £	Total £
Cost or valuation					
At 1 December 1996	310,300	935,000	141,219	726,668	2,113,187
Additions	-	-	5,834	470,506	476,340
Disposals	-	-	-	(45,656)	(45,656)
At 30 November 1997	<u>310,300</u>	<u>935,000</u>	<u>147,053</u>	<u>1,151,518</u>	<u>2,543,871</u>
At cost	-	-	144,672	702,236	846,908
At valuation	<u>310,300</u>	<u>935,000</u>	<u>2,381</u>	<u>449,282</u>	<u>1,696,963</u>
	<u>310,300</u>	<u>935,000</u>	<u>147,053</u>	<u>1,151,518</u>	<u>2,543,871</u>
Accumulated depreciation					
At 1 December 1996	6,300	-	89,837	164,039	260,176
Charge for the year	1,800	-	9,836	134,121	145,757
Disposals	-	-	-	(10,233)	(10,233)
At 30 November 1997	<u>8,100</u>	<u>-</u>	<u>99,673</u>	<u>287,927</u>	<u>395,700</u>
Net book value					
At 30 November 1997	<u>302,200</u>	<u>935,000</u>	<u>47,380</u>	<u>863,591</u>	<u>2,148,171</u>
At 30 November 1996	<u>304,000</u>	<u>935,000</u>	<u>51,382</u>	<u>562,629</u>	<u>1,853,011</u>

Included in fixed assets are assets held under hire purchase contracts with a net book value of £632,713 (1996: £248,826).

The freehold property and freehold investment properties were revalued as at 13 March 1997 by Dickinson Davy & Markham, Chartered Surveyors, Hull on the basis of open market valuation for existing use and that revaluation was incorporated into the accounts during the period ended 30 November 1996. The directors confirm that the properties have not changed significantly in value between the date of the last valuation and the year end.

The commercial vehicles and trailers and plant and machinery were revalued at open market value for existing use by the directors at 30 November 1997.

The value of land not depreciated was £214,000.

Comparable amounts determined according to historical cost convention.

	£	£	£	£	£
Cost	225,341	681,649	139,516	1,032,528	2,079,034
Accumulated depreciation	<u>27,954</u>	<u>11,340</u>	<u>93,802</u>	<u>237,745</u>	<u>370,841</u>
Net book value					
At 30 November 1997	<u>197,387</u>	<u>670,309</u>	<u>45,714</u>	<u>794,783</u>	<u>1,708,193</u>
At 30 November 1996	<u>198,015</u>	<u>681,649</u>	<u>39,311</u>	<u>476,379</u>	<u>1,395,354</u>


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
8. TANGIBLE FIXED ASSETS (continued)
The Company

	Freehold property £	Freehold investment properties £	Total £
Revaluation			
At 1 December 1996 and at 30 November 1997	310,300	935,000	1,245,300
Accumulated depreciation			
At 1 December 1996	6,300	-	6,300
Charge for the year	1,800	-	1,800
At 30 November 1997	8,100	-	8,100
Net book value			
At 30 November 1997	302,200	935,000	1,237,200
At 30 November 1996	304,000	935,000	1,239,000

The value of land not depreciated was £214,000.

Comparable amounts determined according to historical cost convention.

	£	£	£
Cost	225,341	681,649	906,990
Accumulated depreciation	29,216	11,340	40,466
Net book value			
At 30 November 1997	196,215	670,309	866,524
At 30 November 1996	198,015	670,309	868,324

9. INVESTMENTS HELD AS FIXED ASSETS
The company

	1997 £	1996 £
Shares in subsidiary undertakings at cost	252,946	252,946

Subsidiary companies	Activity	Proportion owned	
		Direct holding	Indirect holding
I J Blakey Haulage Co Limited	Road Hauliers	100%	
Waste Paper Collections (Yorkshire) Limited	Skip hire	100%	
North Bridge Transport Limited	Dormant non-trading		100%
Humber Bridge Transport (Hull) Limited	Dormant non-trading		100%
Harlequin Fabrics Limited	Dormant non-trading		76%
Richardson (Hull) Transport Co Limited	Dormant non-trading		100%

All the subsidiary companies are incorporated in Great Britain and registered in England and Wales.


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
10. STOCKS

	The Group	
	1997	1996
	£	£
Raw materials and consumables	16,424	12,239

11. DEBTORS

	The Group		The Company	
	1997	1996	1997	1996
	£	£	£	£
Trade debtors	521,042	416,715	9,603	8,812
Other debtors	38,036	78,242	5,080	5,080
Prepayments and accrued income	34,803	34,809	-	-
	<u>593,881</u>	<u>529,766</u>	<u>14,683</u>	<u>13,892</u>

Included in the comparative figure for other debtors is a loan to J S Blakey. It was an interest free loan repayable on demand. The amount outstanding at the beginning of the year was £59,799 and at the end was £Nil. £59,799 represents the maximum amount that was owed by him during the year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	1997	1996	1997	1996
	£	£	£	£
Bank loans and overdrafts	1,440,372	1,384,951	698,107	728,789
Trade creditors	239,260	200,026	4,311	2,051
Obligations under finance leases and hire purchase contracts	181,078	70,769	-	-
Amounts owed to group undertakings	-	-	674,455	526,963
Current corporation tax	-	-	-	-
Other taxes and social security	115,610	95,528	375	920
Other creditors	52,424	18,577	-	242
Accruals and deferred income	54,350	53,234	20,867	16,657
	<u>2,083,094</u>	<u>1,823,085</u>	<u>1,398,115</u>	<u>1,275,622</u>

Included within other creditors is £40,960 due to P M Blakey and J S Blakey, directors of the company. This represents the maximum amount that was owed to them during the year. £40,000 was repaid on 9 April 1998. It is an interest free loan repayable on demand

NOTES TO THE ACCOUNTS
Year ended 30 November 1997

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

	The Group		The Company	
	1997	1996	1997	1996
	£	£	£	£
Other loans	-	40,000	-	-
Obligations under finance leases and hire purchase contracts	377,883	189,487	-	-
	<u>377,883</u>	<u>229,487</u>	<u>-</u>	<u>-</u>
	<u>377,883</u>	<u>229,487</u>	<u>-</u>	<u>-</u>

	The Group	
	1997	1996
	£	£
Directors loan account	-	40,000
Obligations under hire purchase contracts		
Due within one year	181,078	70,769
Within one to two years	189,047	118,137
Within two to five years	188,836	71,350
	<u>558,961</u>	<u>300,256</u>
Less: Included within creditors due within one year	(181,078)	(70,769)
	<u>377,883</u>	<u>229,487</u>

14. BANK LOANS AND OVERDRAFTS

	The Group		The Company	
	1997	1996	1997	1996
	£	£	£	£
Wholly repayable within five years				
Secured	1,440,372	1,384,951	698,107	728,789
Due within one year	1,440,372	1,384,951	698,107	728,789

The bank borrowings are secured by legal charges over the group's freehold and investment properties and by a debenture incorporating fixed and floating charges over the group's undertaking and over all the group's assets.

There is a personal guarantee of £100,000 from I J and P M Blakey to secure the new term loan facility.

15. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts provided in the accounts and the amounts not provided are as follows:

	The Group		The Company	
	Not provided 1997 £	Not provided 1996 £	Not provided 1997 £	Not provided 1996 £
Capital allowances in advance of depreciation	27,331	12,167	-	-
Taxation on valuation surplus	131,993	134,411	110,851	99,501
	<u>159,324</u>	<u>146,578</u>	<u>110,851</u>	<u>99,501</u>


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
16. ACCRUALS AND DEFERRED INCOME

	The Group and the Company	
	1997	1996
	£	£
Urban Development Grant		
Balance 1 December 1996	70,422	71,888
Released to profit and loss account	1,409	1,466
At 30 November 1997	<u>69,013</u>	<u>70,422</u>

17. CALLED UP SHARE CAPITAL

The Group and the Company	1997	1996
	£	£
Authorised		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Called up, allotted and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

18. STATEMENT OF MOVEMENT ON RESERVES
The Group

	Issued share capital £	Merger reserve £	Capital reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 1996	10,000	37,553	45,984	457,657	(278,309)
Retained loss for the year	-	-	-	-	(3,820)
Transfer for realised profits	-	-	-	(17,679)	17,679
Revaluation adjustment	-	-	-	-	-
At 30 November 1997	<u>10,000</u>	<u>37,553</u>	<u>45,984</u>	<u>439,978</u>	<u>(264,450)</u>

The Company

	Issued share capital £	Merger reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 1996	10,000	37,553	369,504	(256,799)
Retained loss for the year	-	-	-	(122,083)
Revaluation adjustment	-	-	-	-
At 30 November 1997	<u>10,000</u>	<u>37,553</u>	<u>369,504</u>	<u>(378,882)</u>

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the company is not presented as part of these financial statements.


NOTES TO THE ACCOUNTS
Year ended 30 November 1997
19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
The Group

	1997 £	1996 £
Loss for the financial year	(3,820)	(110,998)
Reduction in previous year's revaluation surplus	-	(28,500)
Net movement in shareholders' funds	(3,820)	(139,498)
Opening shareholders' funds	272,885	412,383
	<u>269,065</u>	<u>272,885</u>

The Company

Loss for the financial year	(122,083)	(161,046)
Reduction in previous year's revaluation surplus	-	(28,500)
Opening shareholders' funds	160,258	349,804
Closing shareholders' funds	<u>38,175</u>	<u>160,258</u>

20. FINANCIAL COMMITMENTS
The Group

Operating lease commitments	£
Leases which expire:	
Within one year	-
Within two to five years	16,138
After five years	694
	<u>16,832</u>

21. CONTINGENT LIABILITIES

The company has a contingent liability amounting to £664,358 in respect of a guarantee given to the group's bankers in respect of borrowing by the members of the group.

22. POST BALANCE SHEET EVENT

On 9 April 1998 a building owned by North Bridge Warehousing Company Limited, Craven Court, was sold to I J and P M Blakey who are both directors and shareholders of North Bridge Warehousing Company Limited. The sale proceeds were £440,000 resulting in a profit on sale of £20,000. The urban development grant disclosed in note 16 of these accounts related to this property and the balance of the grant will be released to the profit and loss account at the time of disposal.

23. TRANSACTIONS WITH THE DIRECTORS

Included in other debtors is a loan to J S Blakey. It is an interest free loan repayable on demand.

The amount outstanding at the beginning of the year was £59,799. The balance at the end of the year was £19,040.

**NOTES TO THE ACCOUNTS**
Year ended 30 November 1997**24. PENSION SCHEME**

The group contributes to a pension scheme for the benefit of certain directors and employees. The scheme, which is of the defined contribution type is financed by the employees and the group. Contributions are charged to the profit and loss account as incurred.