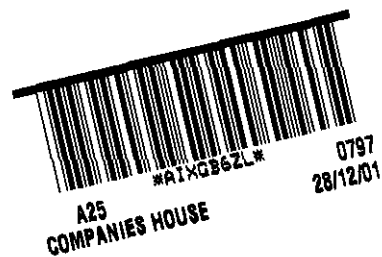


**NORTH BRIDGE WAREHOUSING
COMPANY LIMITED**

Report and Financial Statements

30 November 2000

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



REPORT AND FINANCIAL STATEMENTS 2000

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Consolidated profit and loss account	5
Statement of total recognised gains and losses	5
Note of historical cost profits and losses	6
Consolidated balance sheet	7
Company balance sheet	8
Consolidated cash flow statement	9
Notes to the cash flow statement	10
Notes to the accounts	11
Additional information	22
Trading profit and loss account	23

REPORT AND FINANCIAL STATEMENTS 2000

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I J Blakey
J S Blakey
P M Blakey

SECRETARY

M D Frankish

REGISTERED OFFICE

Fleet House
Woodhouse Street
Hedon Road
Hull
HU9 1RJ

BANKERS

Bank of Scotland
Aldgate House
1-4 Market Place
Hull
HU1 1RA

SOLICITOR

Andrew M Jackson & Co
Essex House
Manor Street
Hull
HU1 1XH

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 2000.

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 disappointed with the result for the year but look forward to the future with cautious optimism.

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 (1999: £Nil). The group's trading loss of £141,554 (1999: £69,154) for the year has been deducted from reserves.

FUTURE PROSPECTS

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

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	
	2000	1999
	No	No
I J Blakey	-	-
J S Blakey	7,347	7,347
P M Blakey	2,653	2,653

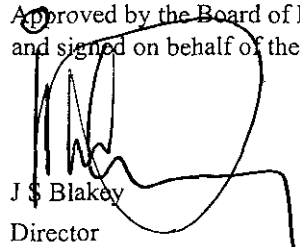
SINGLE EUROPEAN CURRENCY

The group does not have significant activities in Europe, however, a review will take place to identify where changes may be required in order for the systems to be able to meet the demands of a single European currency.

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 on 18th December 2001


J S Blakey
Director

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 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 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 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 21 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, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 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 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 affairs of the company and of the group as at 30 November 2000 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

Deloitte & Touche

Chartered Accountants
and Registered Auditors

19 December 2001

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 30 November 2000

	Note	2000 £	1999 £
TURNOVER: continuing operations	2	3,408,104	3,285,422
Cost of sales		(2,936,093)	(2,754,255)
Gross profit		472,011	531,167
Administrative expenses		(489,898)	(473,507)
OPERATING (LOSS)/PROFIT: continuing operations	4	(17,887)	57,660
Interest receivable and similar income	5	27,935	25,829
Interest payable and similar charges	6	(151,782)	(152,643)
		(123,847)	(126,814)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(141,734)	(69,154)
Tax on loss on ordinary activities	7	180	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES		(141,554)	(69,154)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2000 £	1999 £
Loss attributable to members of the company	(141,554)	(69,154)
Transfer of realised revaluation reserve upon sale of investment properties	(20,000)	-
Unrealised gain on revaluation of investment properties and freehold properties	9,100	-
Total recognised losses related to the year	(152,454)	(69,154)

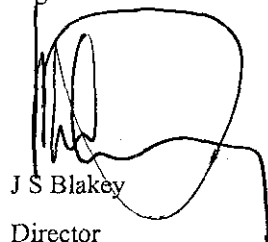
NOTE OF HISTORICAL COST PROFITS AND LOSSES
Year ended 30 November 2000

	2000 £	1999 £
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(141,734)	(69,154)
Realisation of commercial vehicle and investment property revaluation gains of previous years	(1,723)	60,394
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	6,767	11,819
HISTORICAL COST (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(136,693)</u>	<u>3,059</u>
Historical cost (loss)/profit for the year after taxation	<u>(136,513)</u>	<u>3,059</u>

CONSOLIDATED BALANCE SHEET
30 November 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	8	1,153,349	1,327,352
CURRENT ASSETS			
Stocks	10	84,979	54,532
Debtors	11	871,392	618,040
Cash at bank and in hand		337,091	337,029
		<u>1,293,462</u>	<u>1,009,601</u>
CREDITORS: amounts falling due within one year	12	<u>(1,546,926)</u>	<u>(1,318,023)</u>
NET CURRENT LIABILITIES		<u>(253,464)</u>	<u>(308,422)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>899,885</u>	<u>1,018,930</u>
CREDITORS: amounts falling due after more than one year	13	<u>(821,837)</u>	<u>(788,428)</u>
		<u>78,048</u>	<u>230,502</u>
CAPITAL AND RESERVES			
Called up share capital	15	10,000	10,000
Merger reserve	16	37,553	37,553
Capital reserve	16	45,984	45,984
Revaluation reserve	16	305,452	321,396
Profit and loss account	16	(320,941)	(184,431)
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>78,048</u>	<u>230,502</u>

These financial statements were approved by the Board of Directors on 18th December 2001.
Signed on behalf of the Board of Directors


J S Blakey
Director

COMPANY BALANCE SHEET
30 November 2000

	Note	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	8		660,000		707,700
Investments	9		252,946		252,946
			<u>912,946</u>		<u>960,646</u>
CURRENT ASSETS					
Debtors	11	12,610		18,725	
Cash at bank and in hand		334,996		335,031	
		<u>347,606</u>		<u>353,756</u>	
CREDITORS: amounts falling due within one year	12	<u>(743,768)</u>		<u>(826,812)</u>	
NET CURRENT LIABILITIES			<u>(396,162)</u>		<u>(473,056)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			516,784		487,590
CREDITORS: amounts falling due after more than one year	13		<u>(606,509)</u>		<u>(574,623)</u>
			<u>(89,725)</u>		<u>(87,033)</u>
CAPITAL AND RESERVES					
Called up share capital	15		10,000		10,000
Merger reserve	16		37,553		37,553
Revaluation reserve	16		296,607		303,903
Profit and loss account	16		<u>(433,885)</u>		<u>(438,489)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>(89,725)</u>		<u>(87,033)</u>

These financial statements were approved by the Board of Directors on

15th December 2001

Signed on behalf of the Board of Directors

J S Blakely

Director

CONSOLIDATED CASH FLOW STATEMENT
Year ended 30 November 2000

	Note	2000 £	1999 £
Net cash (outflow)/inflow from operating activities	1	(52,516)	136,696
Returns on investments and servicing of finance			
Interest received		27,935	25,829
Interest paid		(117,728)	(108,309)
Interest element of hire purchase contracts		(34,054)	(44,334)
Net cash outflow from returns on investments and servicing of finance		(123,847)	(126,814)
Taxation			
Corporation tax paid (including advance corporation tax)		-	-
Capital expenditure			
Payments to acquire tangible fixed assets		(4,499)	(3,521)
Receipts from sales of tangible fixed assets		150,515	281,125
Net cash inflow from capital expenditure		146,016	277,604
Net cash (outflow)/inflow before financing		(30,347)	287,486
Financing			
Loan repayments in year		(309,935)	(192,349)
New debt		100,000	-
Capital element of hire purchase contracts		(221,808)	(251,198)
Net cash outflow from financing		(11,873)	(443,547)
Decrease in cash	2	(42,220)	(156,061)

NOTES TO THE CASH FLOW STATEMENT

Year ended 30 November 2000

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

	2000 £	1999 £
Operating (loss)/profit	(17,887)	57,660
Depreciation charges	110,443	152,626
Loss on sale of tangible fixed assets	65,044	15,312
Increase in stocks	(30,447)	(12,680)
Increase in debtors	(232,140)	(51,855)
(Increase)/Decrease in creditors	52,471	(24,367)
Net cash (outflow)/inflow from operating activities	<u>(52,516)</u>	<u>136,696</u>

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

	2000 £
Decrease in cash for the period	(42,220)
Cash outflow from decrease in debt and hire purchase contracts	111,873
New loan	(100,000)
New hire purchase contracts	(158,400)
Change in net debt	<u>(188,747)</u>
Net debt at 1 December 1999	<u>(1,371,888)</u>
Net debt at 30 November 2000	<u>(1,560,635)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 December 1999 £	Cash flows £	Other flows £	At 30 November 2000 £
Cash at bank and in hand	337,029	62	-	337,091
Overdraft	(467,242)	(42,282)	-	(509,524)
	<u>(130,213)</u>	<u>(42,220)</u>	<u>-</u>	<u>(172,433)</u>
Debt due within one year	(255,138)	(178,049)	-	(433,187)
Debt due after one year	(574,623)	(31,886)	-	(606,509)
Hire purchase contracts	(411,914)	221,808	(158,400)	(348,506)
	<u>(1,241,675)</u>	<u>11,873</u>	<u>(158,400)</u>	<u>(1,388,202)</u>
Total	<u>(1,371,888)</u>	<u>(30,347)</u>	<u>(158,400)</u>	<u>(1,560,635)</u>

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 £158,400 (1999: £188,128).

NOTES TO THE ACCOUNTS**Year ended 30 November 2000****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 2000.

Tangible fixed assets

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

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

There is no depreciation on freehold land.

The company has decided to adopt the provisions of FRS15 "Tangible Fixed Assets" in respect of its freehold land and buildings and revalue these to open market value annually.

The transitional arrangements of FRS15, "Tangible Fixed Assets" are being adopted in the case of commercial vehicles and trailers and plant and machinery. These were revalued at open market value for existing use by the directors at 30 November 1997 and have not been updated since. The group will freeze the value of these assets as cost.

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 the 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.

NOTES TO THE ACCOUNTS**Year ended 30 November 2000****1. ACCOUNTING POLICIES (continued)****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.

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. 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.

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

	2000 £	1999 £
Directors' emoluments		
Fees	90,500	112,000
Other emoluments	27,260	23,489
	<u>117,760</u>	<u>135,489</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	42	45
Administration	8	8
	<u>50</u>	<u>53</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	1,136,053	1,120,208
Social security costs	91,015	86,565
Pension costs	26,246	18,265
	<u>1,253,314</u>	<u>1,225,038</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2000

4. OPERATING (LOSS)/PROFIT

	2000 £	1999 £
Operating (loss)/profit is after charging/(crediting):		
Depreciation and amortisation		
Owned assets	38,793	49,383
Leased assets	71,650	103,243
Loss on disposal of fixed assets	65,044	15,312
Rentals under operating leases		
Hire of plant and machinery	276,209	201,738
Auditors' remuneration	15,000	13,000
	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2000 £	1999 £
Bank interest receivable	<u>27,935</u>	<u>25,829</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
Bank loans, overdraft and other loans repayable		
within five years	117,728	108,309
Finance leases and hire purchase contracts	34,054	44,334
	<u>151,782</u>	<u>152,643</u>

7. TAX ON LOSS ON ORDINARY ACTIVITIES

	2000 £	1999 £
United Kingdom corporation tax at 20% based on the loss for the year	-	-
Prior year adjustment	(180)	-
	<u>(180)</u>	<u>-</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2000**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 1999	314,400	405,000	149,889	935,537	1,804,826
Additions	-	-	599	162,300	162,899
Revaluation	35,600	(40,000)	-	-	(4,400)
Disposals	-	(55,000)	-	(368,577)	(423,577)
At 30 November 2000	350,000	310,000	150,488	729,260	1,539,748
Accumulated depreciation					
At 1 December 1999	11,700	-	92,736	373,038	477,474
Charge for the year	1,800	-	8,599	100,044	110,443
Adjustment on revaluation	(13,500)	-	-	-	(13,500)
Disposals	-	-	-	(188,018)	(188,018)
At 30 November 2000	-	-	101,335	285,064	386,399
Net book value					
At 30 November 2000	350,000	310,000	49,153	444,196	1,153,349
At 30 November 1999	302,700	405,000	57,153	562,499	1,327,352

Included in fixed assets are assets held under hire purchase contracts with a net book value of £430,171 (1999: £541,402).

The freehold property and freehold investment properties were revalued as at 1 October 2000 by Clark Weightman, Chartered Surveyors, Hull on the basis of open market valuation for existing use. The directors consider the open market value at 30 November 2000 to be unchanged from 1 October 2000.

The commercial vehicles and trailers and plant and machinery were revalued at open market value for existing use by the directors at 30 November 1994.

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

Comparable amounts determined according to historical cost convention.

	£	£	£	£	£
Cost	229,441	170,003	142,951	683,162	1,225,557
Accumulated depreciation	34,526	2,697	(94,750)	(246,858)	(378,831)
Net book value					
At 30 November 2000	194,915	167,306	48,201	436,504	846,926
At 30 November 1999	196,715	205,910	55,963	546,196	1,004,784

NOTES TO THE ACCOUNTS

Year ended 30 November 2000

8. TANGIBLE FIXED ASSETS (CONTINUED)

The Company	Freehold property £	Freehold investment properties £	Total £
Valuation			
At 1 December 1999	314,400	405,000	719,400
Revaluation	35,600	(40,000)	(4,400)
Disposals	-	(55,000)	(55,000)
At 30 November 2000	350,000	310,000	660,000
Accumulated depreciation			
At 1 December 1999	11,700	-	11,700
Charge for the year	1,800	-	1,800
Adjustment on revaluation	(13,500)	-	(13,500)
At 30 November 2000	-	-	-
Net book value			
At 30 November 2000	350,000	310,000	660,000
At 30 November 1999	302,700	405,000	707,700
The value of land not depreciated was £214,000.			
Comparable amounts determined according to historical cost convention.			
	£	£	£
Cost	229,441	170,003	399,444
Accumulated depreciation	(34,526)	(2,697)	(37,223)
Net book value			
At 30 November 2000	194,915	167,306	362,221
At 30 November 1999	196,715	205,910	402,625

9. INVESTMENTS HELD AS FIXED ASSETS

The Company		2000 £	1999 £
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	Dormant non-trading	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 2000**10. STOCKS**

	The Group	
	2000	1999
	£	£
Raw materials and consumables	84,979	54,532

11. DEBTORS

	The Group		The Company	
	2000	1999	2000	1999
	£	£	£	£
Trade debtors	521,958	356,706	5,031	10,399
Other debtors	256,489	176,408	7,579	8,326
Prepayments and accrued income	92,945	84,926	-	-
	<u>871,392</u>	<u>618,040</u>	<u>12,610</u>	<u>18,725</u>

Included in group other debtors are loans to J S Blakey and I J Blakey. These are interest free and repayable on demand. The amount outstanding at the beginning of the year was £96,034 and at the end £125,345. The maximum outstanding balance during the year was £166,872.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loans and overdraft	544,772	493,642	35,248	26,400
Trade creditors	303,109	217,535	3,456	1,928
Obligations under finance leases and hire purchase contracts	133,178	198,109	-	-
Amounts owed to group undertakings	-	-	660,225	758,408
Other taxes and social security	93,071	122,919	967	785
Other creditors	443,040	262,162	20,057	20,476
Accruals and deferred income	29,756	23,656	23,815	18,815
	<u>1,546,926</u>	<u>1,318,023</u>	<u>743,768</u>	<u>826,812</u>

Other creditors include an amount of £397,940 (1999: £228,738) which is secured by a first legal charge over the book debts of I J Blakey Haulage Co Limited.

Details of security in respect of obligations under finance leases and hire purchase contracts and bank loans and the overdraft are set out in note 13.

NOTES TO THE ACCOUNTS

Year ended 30 November 2000

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

	The Group		The Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loans	606,509	574,623	606,509	574,623
Obligations under finance leases and hire purchase contracts	215,328	213,805	-	-
	<u>821,837</u>	<u>788,428</u>	<u>606,509</u>	<u>574,623</u>

	The Group	
	2000	1999
	£	£
Obligations under finance leases and hire purchase contracts		
Due within one year	133,178	198,109
Within one to two years	145,345	104,619
Within two to five years	69,983	109,186
	<u>348,506</u>	<u>411,914</u>
Less: Included within creditors due within one year	(133,178)	(198,109)
	<u>215,328</u>	<u>213,805</u>

	The Company	
	2000	1999
	£	£
The bank loans are repayable by instalments as follows:		
In one year (see note 12)	35,248	26,400
Between one and two years	38,321	28,686
Between two and five years	136,196	171,313
After five years	431,992	374,624
	<u>641,757</u>	<u>601,023</u>
Less: Included within creditors due within one year	(35,248)	(26,400)
	<u>606,509</u>	<u>574,623</u>

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 all the group undertakings and over all the group assets, together with a personal guarantee to the value of £500,000 given by Mr J S Blakey, a director and shareholder of the company.

The bank loan bears interest at 2.5% over the bank base rate.

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

NOTES TO THE ACCOUNTS

Year ended 30 November 2000

14. PROVISIONS FOR LIABILITIES AND CHARGES**Deferred taxation**

The amounts not provided in the accounts are as follows:

	The Group		The Company	
	Not Provided 2000 £	Not provided 1999 £	Not Provided 2000 £	Not Provided 1999 £
Capital allowances in advance of depreciation	25,005	27,724	-	-
Surplus trading losses	(24,890)	(7,874)	-	-
Deferred taxation on valuation surplus	61,090	64,279	59,321	60,781
	<u>61,205</u>	<u>84,129</u>	<u>59,321</u>	<u>60,781</u>

There were no amounts provided in the group or the company.

15. CALLED UP SHARE CAPITAL**The Group and the Company**

	2000 £	1999 £
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>

NOTES TO THE ACCOUNTS**Year ended 30 November 2000****16. STATEMENT OF MOVEMENT ON RESERVES****The Group**

	Issued share capital £	Merger reserve £	Capital reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 1999	10,000	37,553	45,984	321,396	(184,431)
Retained loss for the year	-	-	-	-	(141,554)
Revaluation reserve:					
Transfer of realised revaluation reserve	-	-	-	(20,000)	-
Surplus on revaluation of investment properties and freehold properties	-	-	-	9,100	-
Transfer of realised revaluation reserve	-	-	-	(5,044)	5,044
At 30 November 2000	<u>10,000</u>	<u>37,553</u>	<u>45,984</u>	<u>305,452</u>	<u>(320,941)</u>

The Company

	Issued share capital £	Merger reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 1999	10,000	37,553	303,903	(438,489)
Retained profit for the year	-	-	-	8,208
Revaluation reserve:				
Transfer of realised revaluation reserve	-	-	(20,000)	-
Surplus on revaluation of investment properties and freehold properties	-	-	9,100	-
Transfer of realised revaluation reserve	-	-	3,604	(3,604)
At 30 November 2000	<u>10,000</u>	<u>37,553</u>	<u>296,607</u>	<u>(433,885)</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 2000

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**The Group**

	2000 £	1999 £
Loss for the financial year	(141,554)	(69,154)
Net movement in shareholders' funds	(141,554)	(69,154)
Revaluation reserve		
Transfer of realised revaluation reserve	(20,000)	-
Surplus on revaluation of investment properties and freehold properties	9,100	-
Opening shareholders' funds	230,502	299,656
Closing shareholders' funds	78,048	230,502

The Company

Profit for the financial year	8,208	11,020
Net movement in shareholders funds	8,208	11,020
Revaluation reserve		
Transfer of realised revaluation reserve	(20,000)	-
Surplus on revaluation of investment properties and freehold properties	9,100	-
Opening shareholders' funds	(87,033)	(98,053)
Closing shareholders' funds	(89,725)	(87,033)

18. FINANCIAL COMMITMENTS**The Group**

	Other £
Operating lease commitments	
Leases which expire:	
Within one year	26,140
Within two to five years	139,246
	165,386

At 30 November 2000, there were no financial commitments for the company.

19. CONTINGENT LIABILITIES

The company has given a cross guarantee and debenture to secure certain of the bank borrowings of its subsidiaries, which at 30 November 2000 amounted to £441,885.

NOTES TO THE ACCOUNTS**Year ended 30 November 2000****20. 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.

The charge for the year was £26,246 (1999: £18,265). There were no contributions outstanding at the balance sheet date.

21. RELATED PARTY TRANSACTION

The company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard Number 8 not to disclose related party transactions with group companies.

At 30 November 2000, the group was owed an amount of £27,256 by Craven Court in respect of maintenance and administration charges (1999: £14,296).

During the year the group charged £11,011 in respect of maintenance charges to Craven Court (1999: £7,742, and made payments on behalf of Craven Court of £583 (1999: £5,093).

Mrs P M Blakey, a director of North Bridge Warehousing Company Limited, is the owner of Craven Court.