

**NORTH BRIDGE WAREHOUSING
COMPANY LIMITED**

Report and Financial Statements

30 November 2001

**Deloitte & Touche
Leeds**



REPORT AND FINANCIAL STATEMENTS 2001

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REPORT AND FINANCIAL STATEMENTS 2001

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
Leeds

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 November 2001.

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 (2000: £Nil). The group's trading loss of £75,231 (2000: £141,554) 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	
	2001	2000
	No	No
I J Blakey	-	-
J S Blakey	7,347	7,347
P M Blakey	2,653	2,653

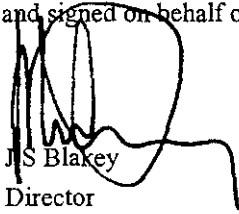
SINGLE EUROPEAN CURRENCY

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 21 November 2002


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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NORTH BRIDGE WAREHOUSING COMPANY LIMITED**

We have audited the financial statements of North Bridge Warehousing Company Limited for the year ended 30 November 2001, which comprise the consolidated profit and loss account, the consolidated balance sheet, the company balance sheet, the consolidated cash flow statement, the statement of total recognised gains and losses, the note of historical cost profits and losses and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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 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 affairs of the company and the group as at 30 November 2001 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

Leeds

26 November 2002

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 30 November 2001

	Note	2001 £	2000 £
TURNOVER: continuing operations	2	3,521,841	3,408,104
Cost of sales		3,002,459	(2,936,093)
Gross profit		519,382	472,011
Administrative expenses		(463,762)	(489,898)
OPERATING PROFIT/(LOSS): continuing operations	4	55,620	(17,887)
Interest receivable and similar income	5	25,822	27,935
Interest payable and similar charges	6	(156,673)	(151,782)
		(130,851)	(123,847)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(75,231)	(141,734)
Tax on loss on ordinary activities	7	-	180
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES		(75,231)	(141,554)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2001 £	2000 £
Loss attributable to members of the company	(75,231)	(141,554)
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	(75,231)	(152,454)

NOTE OF HISTORICAL COST PROFITS AND LOSSES
Year ended 30 November 2001

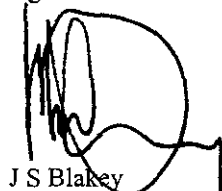
	2001 £	2000 £
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(75,231)	(141,734)
Realisation of commercial vehicle and investment property revaluation gains of previous years	1,284	(1,723)
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>4,138</u>	<u>6,767</u>
HISTORICAL COST LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(69,809)</u>	<u>(136,690)</u>
Historical cost loss for the year after taxation	<u>(69,809)</u>	<u>(136,510)</u>

CONSOLIDATED BALANCE SHEET
30 November 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	8	1,124,291	1,153,349
CURRENT ASSETS			
Stocks	10	72,588	84,979
Debtors	11	955,563	871,392
Cash at bank and in hand		315,699	337,091
		<u>1,343,850</u>	<u>1,293,462</u>
CREDITORS: amounts falling due within one year	12	<u>(1,782,009)</u>	<u>(1,546,926)</u>
NET CURRENT LIABILITIES		<u>(438,159)</u>	<u>(253,464)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		686,132	899,885
CREDITORS: amounts falling due after more than one year	13	<u>(683,315)</u>	<u>(821,837)</u>
		<u>2,817</u>	<u>78,048</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	300,030	305,452
Profit and loss account	16	<u>(390,750)</u>	<u>(320,941)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>2,817</u>	<u>78,048</u>

These financial statements were approved by the Board of Directors on 21 November 2002

Signed on behalf of the Board of Directors



J S Blakey

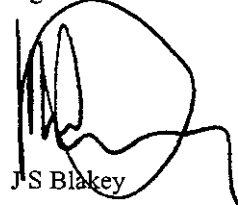
Director

COMPANY BALANCE SHEET
30 November 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	8		658,200		660,000
Investments	9		252,946		252,946
			<u>911,146</u>		<u>912,946</u>
CURRENT ASSETS					
Debtors	11	11,967		12,610	
Cash at bank and in hand		313,624		334,996	
		<u>325,591</u>		<u>347,606</u>	
CREDITORS: amounts falling due within one year	12	<u>(754,533)</u>		<u>(743,768)</u>	
NET CURRENT LIABILITIES			<u>(428,942)</u>		<u>(396,162)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			482,204		516,784
CREDITORS: amounts falling due after more than one year	13		<u>(559,470)</u>		<u>(606,509)</u>
			<u>(77,266)</u>		<u>(89,725)</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		296,607
Profit and loss account	16		<u>(421,426)</u>		<u>(433,885)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>(77,266)</u>		<u>(89,725)</u>

These financial statements were approved by the Board of Directors on 21 November 2002

Signed on behalf of the Board of Directors



J S Blakey

Director

CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 November 2001

	Note	2001 £	2000 £
Net cash inflow/(outflow) from operating activities	1	<u>56,177</u>	<u>(52,516)</u>
Returns on investments and servicing of finance			
Interest received		25,822	27,935
Interest paid		(123,586)	(117,728)
Interest element of hire purchase contracts		<u>(33,087)</u>	<u>(34,054)</u>
Net cash outflow from returns on investments and servicing of finance		<u>(130,851)</u>	<u>(123,847)</u>
Taxation			
Corporation tax paid (including advance corporation tax)		<u>282</u>	<u>-</u>
Capital expenditure			
Payments to acquire tangible fixed assets		-	(4,499)
Receipts from sales of tangible fixed assets		<u>4,500</u>	<u>150,515</u>
Net cash inflow from capital expenditure		<u>4,500</u>	<u>146,016</u>
Net cash outflow before financing		<u>(69,892)</u>	<u>(30,347)</u>
Financing			
Loan (repayments)/advances in year		(23,953)	109,935
New debt		-	100,000
Capital element of hire purchase contracts		<u>(134,289)</u>	<u>(221,808)</u>
Net cash outflow from financing		<u>(158,242)</u>	<u>(11,873)</u>
Decrease in cash	2	<u>(228,134)</u>	<u>(42,220)</u>

NOTES TO THE CASH FLOW STATEMENT

Year ended 30 November 2001

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

	2001 £	2000 £
Operating profit/(loss)	55,620	(17,887)
Depreciation charges	116,404	110,443
(Profit)/loss on sale of tangible fixed assets	(106)	65,044
Decrease/(increase) in stocks	12,391	(30,447)
Increase in debtors	(84,171)	(232,140)
Increase/(decrease) in creditors	(43,961)	52,471
Net cash inflow/(outflow) from operating activities	<u>56,177</u>	<u>(52,516)</u>

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

	2001 £
Decrease in cash for the period	(228,134)
Cash outflow from decrease in debt and hire purchase contracts	158,241
New hire purchase contracts	(91,740)
Change in net debt	(161,633)
Net debt at 1 December 2000	<u>(1,560,635)</u>
Net debt at 30 November 2001	<u>(1,722,268)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 December 2000 £	Cash flows £	Other flows £	At 30 November 2001 £
Cash at bank and in hand	337,091	(21,392)	-	315,699
Overdraft	(509,524)	(206,742)	-	(716,266)
	<u>(172,433)</u>	<u>(228,134)</u>	<u>-</u>	<u>(400,567)</u>
Debt due within one year	(433,187)	(23,087)	-	(456,274)
Debt due after one year	(606,509)	47,039	-	(559,470)
Hire purchase contracts	(348,506)	134,289	(91,740)	(305,957)
	<u>(1,388,202)</u>	<u>158,241</u>	<u>(91,740)</u>	<u>(1,321,701)</u>
Total	<u>(1,560,635)</u>	<u>(69,893)</u>	<u>(91,740)</u>	<u>(1,722,268)</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 £91,740 (2000: £158,400).

NOTES TO THE ACCOUNTS

Year ended 30 November 2001

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 2001.

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 1994 and have not been updated since. The group has frozen 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 2001

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

	2001 £	2000 £
Directors' emoluments		
Fees	87,750	90,500
Other emoluments	35,623	27,260
	<u>123,373</u>	<u>117,760</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	47	42
Administration	9	8
	<u>56</u>	<u>50</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	1,208,245	1,136,053
Social security costs	94,798	91,015
Pension costs	27,302	26,246
	<u>1,330,345</u>	<u>1,253,314</u>

NOTES TO THE ACCOUNTS

Year ended 30 November 2001

4. OPERATING PROFIT/(LOSS)

	2001 £	2000 £
Operating profit/(loss) is after charging/(crediting):		
Depreciation and amortisation		
Owned assets	21,144	38,793
Leased assets	95,260	71,650
(Profit)/loss on disposal of fixed assets	(106)	65,044
Rentals under operating leases		
Hire of plant and machinery	299,268	276,209
Auditors' remuneration	15,250	15,000
	<u>299,268</u>	<u>276,209</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2001 £	2000 £
Bank interest receivable	25,304	27,935
Interest on overpaid tax	518	-
	<u>25,822</u>	<u>27,935</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Bank loans, overdraft and other loans repayable within five years	123,193	117,728
Interest paid on overdue tax	393	-
Finance leases and hire purchase contracts	33,087	34,054
	<u>156,673</u>	<u>151,782</u>

7. TAX ON LOSS ON ORDINARY ACTIVITIES

	2001 £	2000 £
Prior year adjustment	-	(180)
	<u>-</u>	<u>(180)</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2001

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 2000	350,000	310,000	150,488	729,260	1,539,748
Additions	-	-	-	91,740	91,740
Disposals	-	-	-	(43,300)	(43,300)
At 30 November 2001	350,000	310,000	150,488	777,700	1,588,188
Accumulated depreciation					
At 1 December 2000	-	-	101,335	285,064	386,399
Charge for the year	1,800	-	8,443	106,161	116,404
Disposals	-	-	-	(38,906)	(38,906)
At 30 November 2001	1,800	-	109,778	352,319	463,897
Net book value					
At 30 November 2001	348,200	310,000	40,710	425,381	1,124,291
At 30 November 2000	350,000	310,000	49,153	444,196	1,153,349

Included in fixed assets are assets held under hire purchase contracts with a net book value of £430,171 (2000: £541,402).

The freehold property and freehold investment properties were revalued as at 1 November 2001 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 2001 to be unchanged from 1 November 2001.

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	748,883	1,291,278
Accumulated depreciation	(36,326)	(2,697)	(102,955)	(326,209)	(468,187)
Net book value					
At 30 November 2001	193,115	167,306	39,996	422,674	823,091
At 30 November 2000	194,915	167,306	48,201	436,504	846,926

NOTES TO THE ACCOUNTS

Year ended 30 November 2001

8. TANGIBLE FIXED ASSETS (CONTINUED)

The Company	Freehold property £	Freehold investment properties £	Total £
Valuation			
At 1 December 2000	350,000	310,000	660,000
Disposals	-	-	-
At 30 November 2001	350,000	310,000	660,000
Accumulated depreciation			
At 1 December 2000	1,800	-	1,800
Charge for the year	-	-	-
At 30 November 2001	1,800	-	1,800
Net book value			
At 30 November 2001	348,200	310,000	658,200
At 30 November 2000	350,000	310,000	660,000
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	(36,326)	(2,697)	(39,023)
Net book value			
At 30 November 2001	193,115	167,306	360,421
At 30 November 2000	194,915	167,306	362,221

9. INVESTMENTS HELD AS FIXED ASSETS

The Company	2001 £	2000 £
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 2001

10. STOCKS

	The Group	
	2001	2000
	£	£
Raw materials and consumables	72,588	84,979

11. DEBTORS

	The Group		The Company	
	2001	2000	2001	2000
	£	£	£	£
Trade debtors	535,410	521,958	4,388	5,031
Other debtors	337,930	256,489	7,579	7,579
Prepayments and accrued income	82,223	92,945	-	-
	<u>955,563</u>	<u>871,392</u>	<u>11,967</u>	<u>12,610</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 by J S Blakey was £125,345 and at the end £173,415. The maximum outstanding balance during the year was £173,415.

The amount outstanding at the beginning of the year by I J Blakey was £Nil and at the year end £8,590. The maximum outstanding balance in the year was £8,590.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdraft	758,427	544,772	42,161	35,248
Trade creditors	249,852	303,109	385	3,456
Obligations under finance leases and hire purchase contracts	182,112	133,178	-	-
Amounts owed to group undertakings	-	-	664,769	660,225
Other taxes and social security	102,846	93,071	1,095	967
Other creditors and corporation tax	453,945	443,040	17,308	20,057
Accruals and deferred income	34,827	29,756	28,815	23,815
	<u>1,782,009</u>	<u>1,546,926</u>	<u>754,533</u>	<u>743,768</u>

Other creditors include an amount of £414,113 (2000: £397,940) 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 2001

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

	The Group		The Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans	559,470	606,509	559,470	606,509
Obligations under finance leases and hire purchase contracts	123,845	215,328	-	-
	<u>683,315</u>	<u>821,837</u>	<u>559,470</u>	<u>606,509</u>
	The Group			
	2001	2000		
	£	£		
Obligations under finance leases and hire purchase contracts				
Due within one year			182,118	133,178
Within one to two years			61,717	145,345
Within two to five years			62,128	69,983
			<u>305,963</u>	<u>348,506</u>
Less: Included within creditors due within one year			(182,118)	(133,178)
			<u>123,845</u>	<u>215,328</u>
	The Company			
	2001	2000		
	£	£		
The bank loans are repayable by instalments as follows:				
In one year (see note 12)			42,161	35,248
Between one and two years			44,987	38,321
Between two and five years			153,856	136,196
After five years			360,627	431,992
			<u>601,631</u>	<u>641,757</u>
Less: Included within creditors due within one year			(42,161)	(35,248)
			<u>559,470</u>	<u>606,509</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 2001****14. PROVISIONS FOR LIABILITIES AND CHARGES****Deferred taxation**

The amounts not provided in the accounts are as follows:

	The Group		The Company	
	Not Provided 2001 £	Not provided 2000 £	Not Provided 2001 £	Not Provided 2000 £
Capital allowances in advance of depreciation	21,945	25,005	-	-
Surplus trading losses	(48,435)	(39,515)	(14,625)	(14,625)
Deferred taxation on valuation surplus	60,006	61,090	59,321	59,321
	<u>33,516</u>	<u>46,580</u>	<u>44,696</u>	<u>44,696</u>

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

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

	2001 £	2000 £
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 2001****16. STATEMENT OF MOVEMENT ON RESERVES****The Group**

	Issued share capital £	Merger reserve £	Capital reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 2000	10,000	37,553	45,984	305,452	(320,941)
Retained loss for the year	-	-	-	-	(75,231)
Transfer of realised revaluation reserve	-	-	-	(5,422)	5,422
At 30 November 2001	<u>10,000</u>	<u>37,553</u>	<u>45,984</u>	<u>300,030</u>	<u>(390,750)</u>

The Company

	Issued share capital £	Merger reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 2000	10,000	37,553	296,607	(433,885)
Retained profit for the year	-	-	-	12,459
At 30 November 2001	<u>10,000</u>	<u>37,553</u>	<u>296,607</u>	<u>(421,426)</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 2001

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

	2001 £	2000 £
Loss for the financial year	(75,231)	(141,554)
Net movement in shareholders' funds	(75,231)	(141,554)
Revaluation reserve		
Transfer of realised revaluation reserve	-	(20,000)
Surplus on revaluation of investment properties and freehold properties	-	9,100
Opening shareholders' funds	78,048	230,502
Closing shareholders' funds	<u>2,817</u>	<u>78,048</u>

The Company

Profit for the financial year	12,459	8,208
Net movement in shareholders funds	12,459	8,208
Revaluation reserve		
Transfer of realised revaluation reserve	-	(20,000)
Surplus on revaluation of investment properties and freehold properties	-	9,100
Opening shareholders' funds	(89,725)	(87,033)
Closing shareholders' funds	<u>(77,266)</u>	<u>(89,725)</u>

18. FINANCIAL COMMITMENTS**The Group**

	Other £
Operating lease commitments	
Leases which expire:	
Within one year	3,561
Within two to five years	251,008
	<u>254,569</u>

At 30 November 2001, 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 2001 amounted to £669,500.

NOTES TO THE ACCOUNTS**Year ended 30 November 2001****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 £27,302 (2000: £26,246). 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 2001, the group was owed an amount of £32,564 by Craven Court in respect of maintenance and administration charges (2000: £27,256).

At 30 November 2001, the group owed an amount of £15,467 to Craven Court in respect of rental income due to Craven Court (2000: £15,192).

During the year the group charged £6,600 in respect of maintenance charges to Craven Court (2000: £11,011), and made payments on behalf of Craven Court of £Nil (2000: £583).

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

22. POST BALANCE SHEET EVENTS

On 31 July 2002 the company sold an investment property with a net book value at 30 November 2001 of £70,000 for more than it's net book value in an arm's length transaction to a third party.

On 21 October 2002 the company sold another investment property with a net book value at 30 November 2001 of £120,000 for more than it's net book value in an arm's length transaction to a third party.

ADDITIONAL INFORMATION

The additional information on page 23 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditors' report thereon.

TRADING PROFIT AND LOSS ACCOUNT

Year ended 30 November 2001

	2001	2000
£	£	£
Rents receivable	46,604	39,739
Deduct:		
Bank charges and interest	48,266	49,253
Audit and accountancy	5,000	5,000
Depreciation	1,800	1,800
Legal and professional fees	3,313	3,438
Insurances	(500)	(66)
Repairs and renewals	(191)	-
Light and heat	(56)	-
Rent and rates	-	-
Sundries	15	14
Bad debts	1,772	-
	<u>(59,419)</u>	<u>(59,439)</u>
	(12,815)	(19,700)
Interest received	<u>25,274</u>	<u>27,908</u>
Net profit before taxation	<u>12,459</u>	<u>8,208</u>
Taxation	<u>-</u>	<u>-</u>
Profit for the year	<u><u>12,459</u></u>	<u><u>8,208</u></u>