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**NORTH BRIDGE WAREHOUSING
COMPANY LIMITED**

Report and Financial Statements

30 November 2002



**Deloitte & Touche LLP
Leeds**



REPORT AND FINANCIAL STATEMENTS 2002

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REPORT AND FINANCIAL STATEMENTS 2002

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 LLP
Chartered Accountants
Leeds

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 November 2002.

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 (2001: £Nil). The group's trading loss of £82,381 (2001: £75,231) 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

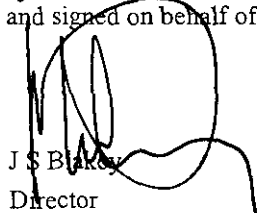
The directors who served during the year, together with their interests in the share capital of the company are as follows:

	Ordinary shares of £1 each	
	2002 No	2001 No
I J Blakey	-	-
J S Blakey	7,347	7,347
P M Blakey	2,653	2,653

AUDITORS

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP as the company's auditor 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

25 FEBRUARY 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 2002, 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, notes to the cash flow statement and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described 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 and other group undertakings are 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 2002 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 LLP
Deloitte & Touche LLP

Chartered Accountants
and Registered Auditors

Leeds

3 March 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 November 2002

	Note	2002 £	2001 £
TURNOVER: continuing operations	2	3,431,342	3,521,841
Cost of sales		<u>(2,942,907)</u>	<u>(3,002,459)</u>
Gross profit		488,435	519,382
Administrative expenses		<u>(549,110)</u>	<u>(463,868)</u>
OPERATING (LOSS)/PROFIT: continuing operations	4	(60,675)	55,514
Profit on disposal of fixed assets in continuing operations		88,686	106
Interest receivable and similar income	5	23,224	25,822
Interest payable and similar charges	6	<u>(133,616)</u>	<u>(156,673)</u>
		<u>(21,706)</u>	<u>(130,745)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(82,381)	(75,231)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES	16	<u>(82,381)</u>	<u>(75,231)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2002 £	2001 £
Loss attributable to members of the company	(82,381)	(75,231)
Transfer of realised revaluation reserve upon sale of investment properties	-	-
Unrealised gain on revaluation of investment properties and freehold properties	<u>6,500</u>	<u>-</u>
Total recognised losses related to the year	<u>(75,881)</u>	<u>(75,231)</u>



NOTE OF HISTORICAL COST PROFITS AND LOSSES
Year ended 30 November 2002

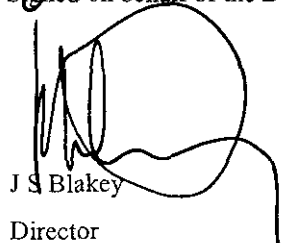
	2002 £	2001 £
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(82,381)	(75,231)
Realisation of commercial vehicle and investment property revaluation gains of previous years	70,000	1,284
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>12,925</u>	<u>4,138</u>
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>544</u>	<u>(69,809)</u>
Historical cost profit/(loss) for the year after taxation	<u>544</u>	<u>(69,809)</u>

CONSOLIDATED BALANCE SHEET**30 November 2002**

	Note	£	2002 £	£	2001 £
FIXED ASSETS					
Tangible assets	8		870,777		1,124,291
CURRENT ASSETS					
Stocks	10	71,559		72,588	
Debtors	11	926,417		955,563	
Cash at bank and in hand		564,897		315,699	
		<u>1,562,873</u>		<u>1,343,850</u>	
CREDITORS: amounts falling due within one year	12	<u>(1,889,384)</u>		<u>(1,782,009)</u>	
NET CURRENT LIABILITIES			<u>(326,511)</u>		<u>(438,159)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			544,266		686,132
CREDITORS: amounts falling due after more than one year	13		<u>(617,330)</u>		<u>(683,315)</u>
			<u>(73,064)</u>		<u>2,817</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		223,605		300,030
Profit and loss account	16		<u>(390,206)</u>		<u>(390,750)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>(73,064)</u>		<u>2,817</u>

These financial statements were approved by the Board of Directors on 25 FEBRUARY 2004

Signed on behalf of the Board of Directors

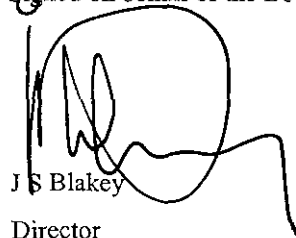

J S Blakey
Director

COMPANY BALANCE SHEET
30 November 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	8	495,000	658,200
Investments	9	252,946	252,946
		<u>747,946</u>	<u>911,146</u>
CURRENT ASSETS			
Debtors	11	25,499	11,967
Cash at bank and in hand		562,932	313,624
		<u>588,431</u>	<u>325,591</u>
CREDITORS: amounts falling due within one year	12	<u>(791,639)</u>	<u>(754,533)</u>
NET CURRENT LIABILITIES		<u>(203,208)</u>	<u>(428,942)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		544,738	482,204
CREDITORS: amounts falling due after more than one year	13	<u>(514,278)</u>	<u>(559,470)</u>
		<u>30,460</u>	<u>(77,266)</u>
CAPITAL AND RESERVES			
Called up share capital	15	10,000	10,000
Merger reserve	16	37,553	37,553
Revaluation reserve	16	222,120	296,607
Profit and loss account	16	(239,213)	(421,426)
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>30,460</u>	<u>(77,266)</u>

These financial statements were approved by the Board of Directors on ~~25 FEBRUARY~~ 2004

Signed on behalf of the Board of Directors


 J S Blakey
 Director

CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 November 2002

	Note	2002 £	2001 £
Net cash inflow from operating activities	1	<u>146,385</u>	<u>56,177</u>
Returns on investments and servicing of finance			
Interest received		23,224	25,822
Interest paid		(108,143)	(123,586)
Interest element of hire purchase contracts		<u>(25,473)</u>	<u>(33,087)</u>
Net cash (outflow) from returns on investments and servicing of finance		<u>(110,392)</u>	<u>(130,851)</u>
Taxation			
Corporation tax paid		<u>(7,328)</u>	<u>282</u>
Capital expenditure			
Payments to acquire tangible fixed assets		(2,100)	-
Receipts from sales of tangible fixed assets		<u>343,600</u>	<u>4,500</u>
Net cash inflow from capital expenditure		<u>341,500</u>	<u>4,500</u>
Net cash inflow/(outflow) before financing		<u>370,165</u>	<u>(69,892)</u>
Financing			
Loan repayments in year	3	(141,888)	(23,953)
Capital element of hire purchase contracts	3	<u>(206,939)</u>	<u>(134,289)</u>
Net cash outflow from financing		<u>(348,827)</u>	<u>(158,242)</u>
Increase/(decrease) in cash	2	<u>21,338</u>	<u>(228,134)</u>

NOTES TO THE CASH FLOW STATEMENT
Year ended 30 November 2002

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

	2002	2001
	£	£
Operating (loss)/profit	(60,675)	55,514
Depreciation charges	105,200	116,404
Decrease in stocks	1,029	12,391
Decrease/(increase) in debtors	29,146	(84,171)
Increase/(decrease) in creditors	71,685	(43,961)
Net cash inflow from operating activities	146,385	56,177

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

	2002
	£
Increase in cash for the year	21,338
Cash outflow from decrease in debt and hire purchase contracts	348,827
New hire purchase contracts	(98,000)
Change in net debt	272,165
Net debt at 1 December 2001	(1,722,268)
Net debt at 30 November 2002	(1,450,103)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 December 2001	Cash flows	Other flows	At 30 November 2002
	£	£	£	£
Cash at bank and in hand	315,699	249,198	-	564,897
Overdraft	(716,266)	(227,860)	-	(944,126)
	<u>(400,567)</u>	<u>21,338</u>	<u>-</u>	<u>(379,229)</u>
Debt due within one year	(456,274)	96,696	-	(359,578)
Debt due after one year	(559,470)	45,192	-	(514,278)
Hire purchase contracts	(305,957)	206,939	(98,000)	(197,018)
	<u>(1,321,701)</u>	<u>348,827</u>	<u>(98,000)</u>	<u>(1,070,874)</u>
Total	(1,722,268)	370,165	(98,000)	(1,450,103)

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 £100,100 (2001: £91,740).

NOTES TO THE ACCOUNTS**Year ended 30 November 2002****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 2002.

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.

Commercial vehicles and trailers and plant and machinery 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 following adoption of FRS 15 "Tangible Fixed Assets".

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

Adoption of FRS 19 has required a change in the method of accounting for deferred tax. Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE ACCOUNTS

Year ended 30 November 2002

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

	2002 £	2001 £
Directors' emoluments		
Fees	123,000	87,750
Other emoluments	55,217	35,623
	<u>178,217</u>	<u>123,373</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	43	47
Administration	8	9
	<u>51</u>	<u>56</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	1,260,578	1,208,245
Social security costs	96,172	94,798
Pension costs	21,067	27,302
	<u>1,377,817</u>	<u>1,330,345</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2002

4. OPERATING PROFIT

	2002 £	2001 £
Operating profit is after charging/(crediting):		
Depreciation and amortisation		
Owned assets	7,531	21,144
Leased assets	97,669	95,260
(Profit)/loss on disposal of fixed assets	(88,686)	(106)
Rentals under operating leases		
Hire of plant and machinery	266,513	299,268
Exceptional bad debt write off	34,927	-
Auditors' remuneration	15,500	15,250
	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £	2001 £
Bank interest receivable	23,224	25,304
Interest on overpaid tax	-	518
	<u>23,224</u>	<u>25,822</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank loans, overdraft and other loans repayable		
within five years	108,143	123,193
Interest paid on overdue tax	-	393
Finance leases and hire purchase contracts	25,473	33,087
	<u>133,616</u>	<u>156,673</u>

7. TAX ON LOSS ON ORDINARY ACTIVITIES

	2002 £	2001 £
Current taxation:		
UK corporation tax charge in respect of current year	-	-
Adjustment in respect of prior years	-	-
	<u> </u>	<u> </u>
Total current taxation	-	-
Deferred taxation (credit)/charge	-	-
	<u> </u>	<u> </u>

Adoption of FRS19 has required a change in the method of accounting for deferred tax. However, the comparative figures for the tax on profit on ordinary activities for 2001 are not required to be restated. There is no impact of adopting FRS19 on the 2001 figures.

NOTES TO THE ACCOUNTS**Year ended 30 November 2002****7. TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)**

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2001: 20%).
The actual tax charge varies from the standard rate due to the reasons set out in the following reconciliation.

	2002 £	2001 £
Loss on ordinary activities before tax	(82,381)	(75,231)
Tax on loss on ordinary activities at standard rate	(15,652)	(15,046)
Factors affecting charge for the year:		
Capital allowances for the period in excess of depreciation	7,991	3,234
Expenses not allowable for tax purposes	7,661	11,812
Total actual amount of current tax	-	-

There is no tax charge for the year or prior year due to the availability of corporation tax losses available to carry forward against future trading profits of approximately £73,127 (2001: £73,127).

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 2001	350,000	310,000	145,332	777,700	1,583,032
Additions	2,100	-	-	98,000	100,100
Revaluation	(2,100)	5,000	-	-	2,900
Disposals	(100,000)	(70,000)	-	(160,900)	(330,900)
At 30 November 2002	250,000	245,000	145,332	714,800	1,355,132
Accumulated depreciation					
At 1 December 2001	1,800	-	104,622	352,319	458,741
Charge for the year	1,800	-	8,408	94,992	105,200
Eliminated on revaluation	(3,600)	-	-	-	(3,600)
Disposals	-	-	-	(75,986)	(75,986)
At 30 November 2002	-	-	113,030	371,325	484,355
Net book value					
At 30 November 2002	250,000	245,000	32,302	343,475	870,777
At 30 November 2001	348,200	310,000	40,710	425,381	1,124,291

Included in fixed assets are assets held under hire purchase contracts with a net book value of £313,827 (2001: £445,394).

The freehold property and freehold investment properties were revalued as at 30 November 2002 by Clark Weightman, Chartered Surveyors, Hull on the basis of open market valuation for existing use.

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.

NOTES TO THE ACCOUNTS**Year ended 30 November 2002****8. TANGIBLE FIXED ASSETS (CONTINUED)****The Group**

Comparable amounts determined according to historical cost convention.

	£	£	£	£	£
Cost	201,541	108,868	142,951	685,984	1,139,344
Accumulated depreciation	34,526	595	111,126	344,709	490,956
Net book value					
At 30 November 2002	167,015	108,273	31,825	341,275	648,388
At 30 November 2001	193,115	167,306	39,996	422,674	823,091

The Company	Freehold property	Freehold investment properties	Total
	£	£	£
Valuation			
At 1 December 2001	350,000	310,000	660,000
Additions	2,100	-	2,100
Revaluation	(2,100)	5,000	2,900
Disposals	(100,000)	(70,000)	(170,000)
At 30 November 2002	250,000	245,000	495,000
Accumulated depreciation			
At 1 December 2001	1,800	-	1,800
Charge for the year	1,800	-	1,800
Eliminated on revaluation	(3,600)	-	(3,600)
At 30 November 2002	-	-	-
Net book value			
At 30 November 2002	250,000	245,000	495,000
At 30 November 2001	348,200	310,000	658,200

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

NOTES TO THE ACCOUNTS**Year ended 30 November 2002****8. TANGIBLE FIXED ASSETS (CONTINUED)**

Comparable amounts determined according to historical cost convention.

The freehold property and freehold investment properties were revalued as at 30 November 2002 by Clark Weightman, Chartered Surveyors, Hull on the basis of open market valuation for existing use.

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.

	£	£	£
Cost	201,541	108,868	310,409
Accumulated depreciation	34,526	595	35,121
Net book value			
At 30 November 2002	<u>167,015</u>	<u>108,273</u>	<u>275,288</u>
At 30 November 2001	<u>193,115</u>	<u>167,306</u>	<u>360,421</u>

9. INVESTMENTS HELD AS FIXED ASSETS**The Company**

	2002 £	2001 £
Shares in subsidiary undertakings at cost	<u>252,946</u>	<u>252,946</u>

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.

10. STOCKS

	The Group	
	2002 £	2001 £
Raw materials and consumables	<u>71,559</u>	<u>72,588</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2002

11. DEBTORS

	The Group		The Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	434,895	535,410	17,794	4,388
Other debtors	409,290	337,930	7,705	7,579
Prepayments and accrued income	82,232	82,223	-	-
	<u>926,417</u>	<u>955,563</u>	<u>25,499</u>	<u>11,967</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 £173,415 and at the end £221,006. The maximum outstanding balance during the year was £221,006.

The amount outstanding at the beginning of the year by I J Blakey was £8,590 and at the year end £16,195. The maximum outstanding balance in the year was £16,195.

Trade debtors are secured and financed through an invoice discounting arrangement. The balance borrowed at the year end is contained in other creditors.

Included within group other debtors is an amount of £59,300 (2001: £45,501) due after more than one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans and overdraft	989,980	758,427	45,854	42,161
Trade creditors	281,761	249,852	1,536	385
Obligations under finance leases and hire purchase contracts	93,966	182,112	-	-
Amounts owed to group undertakings	-	-	666,355	664,769
Other taxes and social security	92,461	102,846	-	1,095
Other creditors and corporation tax	361,906	453,945	19,079	17,308
Accruals and deferred income	69,310	34,827	58,815	28,815
	<u>1,889,384</u>	<u>1,782,009</u>	<u>791,639</u>	<u>754,533</u>

Other creditors include an amount of £313,725 (2001 : £414,113) 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 2002

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

	The Group		The Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans	514,278	559,470	514,278	559,470
Obligations under finance leases and hire purchase contracts	103,052	123,845	-	-
	<u>617,330</u>	<u>683,315</u>	<u>514,278</u>	<u>559,470</u>

	The Group	
	2002	2001
	£	£
Obligations under finance leases and hire purchase contracts		
Due within one year	93,966	182,118
Within one to two years	70,362	61,717
Within two to five years	32,690	62,128
	<u>197,018</u>	<u>305,963</u>
Less: Included within creditors due within one year	(93,966)	(182,118)
	<u>103,052</u>	<u>123,845</u>

	The Company and the Group	
	2002	2001
	£	£
The bank loans are repayable by instalments as follows:		
In one year (see note 12)	45,854	42,161
Between one and two years	48,926	44,987
Between two and five years	167,329	153,856
After five years	298,023	360,627
	<u>560,132</u>	<u>601,631</u>
Less: Included within creditors due within one year	(45,854)	(42,161)
	<u>514,278</u>	<u>559,470</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 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 and capital is repayable in equal monthly instalments.

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 2002

14. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

The amounts not provided in the accounts are as follows:

	The Group		The Company	
	Not Provided 2002 £	Not provided 2001 £	Not Provided 2002 £	Not Provided 2001 £
Capital allowances in advance of depreciation	17,188	21,945	-	-
Surplus trading losses	(50,254)	(48,339)	(13,894)	(14,625)
Deferred taxation on valuation surplus	41,801	60,006	41,519	59,321
	<u>8,735</u>	<u>33,612</u>	<u>27,625</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

	2002 £	2001 £
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>

16. STATEMENT OF MOVEMENT ON RESERVES

The Group

	Issued share capital £	Merger reserve £	Capital reserve £	Revaluation reserve £	Profit And loss account £
At 1 December 2001	10,000	37,553	45,984	300,030	(390,750)
Retained loss for the year	-	-	-	-	(82,381)
Revaluation in the year	-	-	-	6,500	-
Transfer of amount equivalent to additional depreciation on revalued assets	-	-	-	(12,925)	12,925
Transferred of realised revaluation reserve	-	-	-	(70,000)	70,000
At 30 November 2002	<u>10,000</u>	<u>37,553</u>	<u>45,984</u>	<u>223,605</u>	<u>(390,206)</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2002

16. STATEMENT OF MOVEMENT ON RESERVES

The Company

	Issued share capital £	Merger reserve £	Revaluation reserve £	Profit and loss account £
At 1 December 2001	10,000	37,553	296,607	(421,426)
Retained profit for the year	-	-	-	101,226
Revaluation in the year	-	-	6,500	-
Transferred of realised revaluation reserve	-	-	(80,987)	80,987
At 30 November 2002	<u>10,000</u>	<u>37,553</u>	<u>222,120</u>	<u>(239,213)</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.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

The Group

	2002 £	2001 £
Loss for the financial year	(82,381)	(75,231)
Net movement in shareholders' funds	(82,381)	(75,231)
Revaluation reserve		
Revaluation in year	6,500	-
Opening shareholders' funds	<u>2,817</u>	<u>78,048</u>
Closing shareholders' funds	<u>(73,064)</u>	<u>2,817</u>
The Company		
Profit for the financial year	<u>101,226</u>	<u>12,459</u>
Net movement in shareholders funds	<u>101,226</u>	<u>12,459</u>
Revaluation reserve		
Revaluation in year	6,500	-
Opening shareholders' funds	<u>(77,266)</u>	<u>(89,725)</u>
Closing shareholders' funds	<u>30,460</u>	<u>(77,266)</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 2002

18. FINANCIAL COMMITMENTS

The Group

	Other £
Annual operating lease commitments	
Leases which expire:	
Within one year	43,672
Within two to five years	132,743
	176,415

At 30 November 2002, 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 2002 amounted to £944,126.

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 £21,067 (2001: £27,302). 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 2002, the group was owed an amount of £32,564 by Craven Court in respect of maintenance and administration charges (2001: £32,564).

At 30 November 2002, the group owed an amount of £17,337 to Craven Court in respect of rental income due to Craven Court (2001: £15,467).

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

ADDITIONAL INFORMATION

The additional information, which comprises of the trading profit and loss account, 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 2002

	£	2002 £	£	2001 £
Rents receivable		53,980		46,604
Deduct:				
Bank charges and interest	37,740		48,266	
Audit and accountancy	20,000		5,000	
Depreciation	1,800		1,800	
Legal and professional fees	2,895		3,313	
Insurances	250		(500)	
Repairs and renewals	3,253		(191)	
Light and heat	-		(56)	
Sundries	15		15	
Bad debts	-		1,772	
Profit on disposal of fixed assets	(90,000)		-	
		<u>24,047</u>	<u>-</u>	<u>(59,419)</u>
		78,027		(12,815)
Interest received		<u>23,199</u>		<u>25,274</u>
Net profit before taxation		<u>101,226</u>		<u>12,459</u>
Taxation		-		-
Profit for the year		<u><u>101,226</u></u>		<u><u>12,459</u></u>