

CARGO MARKETING SERVICES LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 2003**

COMPANY NUMBER:01416708



CARGO MARKETING SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS	Mr M R Frearson Mrs T L Bennett Mr D G Horwell (appointed 1/7/02)
SECRETARY	Mrs T L Bennett
COMPANY NUMBER	01416708
REGISTERED OFFICE	The Old Bakery Shaw Lane Lichfield Staffordshire WS13 7AG
AUDITORS	Bentley Jennison Chartered Accountants & Registered Auditors 3 Hollinswood Court Stafford Park 1 Telford TF3 3BD

CARGO MARKETING SERVICES LIMITED

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CARGO MARKETING SERVICES LIMITED

DIRECTORS' REPORT For the year ended 31 March 2003

The directors present their report and the financial statements for the year ended 31 March 2003.

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 of the profit or loss of the company 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company in the year under review continued to be that of the provision of freight forwarding services.

The results for the year are shown in the profit and loss account on page 4.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £178,136 (2002 - £146,655) .

The directors recommend that no dividend should be paid.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>31/3/03</u>	<u>1/4/02</u>
Mr M R Frearson	25,050	50
Mrs T L Bennett	-	-
Mr D G Horwell (appointed 1/7/02)	425,750	750 *

(* held on date of appointment)

Changes in the share capital of the company is shown in note 13 in these accounts.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made charitable contributions in the year of £1,379 in total.

LAND AND BUILDINGS

In the opinion of the directors the present market value of the company's properties is in excess of the net book amount but, in the absence of a recent valuation, the excess is not quantified.

CARGO MARKETING SERVICES LIMITED

DIRECTORS' REPORT
For the year ended 31 March 2003

AUDITORS

The auditors, Bentley Jennison, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 21st November 2003 and signed on its behalf.



Mrs T L Bennett
Secretary

CARGO MARKETING SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO CARGO MARKETING SERVICES LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Cargo Marketing Services Limited for the year ended 31 March 2003 set out on pages 4 to 18, together with the financial statements of the company for the year ended 31 March 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

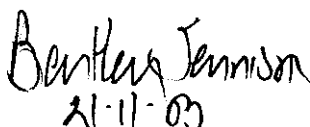
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 18 are properly prepared in accordance with those provisions.


21-11-03

Bentley Jennison

Chartered Accountants
Registered Auditors

3 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD

CARGO MARKETING SERVICES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2003

	Note	2003 £	2002 £
GROSS PROFIT		2,502,654	2,248,924
Administrative expenses		<u>(2,254,939)</u>	<u>(1,949,715)</u>
OPERATING PROFIT	2	247,715	299,209
Interest receivable		21,423	20,786
Interest payable	5	<u>(12,101)</u>	<u>(13,755)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		257,037	306,240
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	<u>(78,901)</u>	<u>(159,585)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u>178,136</u>	<u>146,655</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2003 or 2002 other than those included in the profit and loss account.

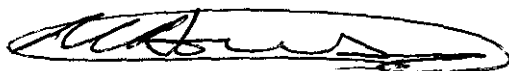
The notes on pages 7 to 18 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED

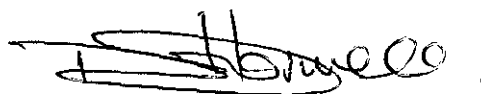
ABBREVIATED BALANCE SHEET
As at 31 March 2003

	Note	£	2003 £	£	2002 £
FIXED ASSETS					
Tangible fixed assets	7		787,042		556,151
Investments	8		306,430		87,170
			<u>1,093,472</u>		<u>643,321</u>
CURRENT ASSETS					
Debtors	9	3,526,406		3,335,350	
Cash at bank and in hand		917,156		759,563	
			<u>4,443,562</u>	<u>4,094,913</u>	
CREDITORS: amounts falling due within one year	10	(3,404,653)		(3,176,238)	
NET CURRENT ASSETS			<u>1,038,909</u>		<u>918,675</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,132,381</u>		<u>1,561,996</u>
CREDITORS: amounts falling due after more than one year	11		(299,415)		(218,894)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	12		(88,328)		(95,800)
NET ASSETS			<u>1,744,638</u>		<u>1,247,302</u>
CAPITAL AND RESERVES					
Called up share capital	13		450,900		1,000
Share premium account	14		85,991		85,991
Capital redemption reserve	14		100		-
Profit and loss account	14		1,207,647		1,160,311
SHAREHOLDERS' FUNDS - All Equity	15		<u>1,744,638</u>		<u>1,247,302</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 21st November '03 and signed on its behalf.



Mr M R Frearson
Director



Mr D G Horwell
Director

The notes on pages 7 to 18 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 31 March 2003

	Note	2003 £	2002 £
Net cash flow from operating activities	16	359,988	35,843
Returns on investments and servicing of finance	17	9,322	7,031
Taxation		(69,096)	(76,586)
Capital expenditure and financial investment	17	(458,456)	(105,686)
CASH OUTFLOW BEFORE FINANCING		(158,242)	(139,398)
Financing	17	315,835	40,679
INCREASE/(DECREASE) IN CASH IN THE YEAR		157,593	(98,719)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 31 March 2003

	2003 £	2002 £
Increase/(Decrease) in cash in the year	157,593	(98,719)
Cash outflow/(inflow) from decrease in debt and lease financing	96,883	(40,679)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	254,476	(139,398)
New finance lease	(103,761)	-
MOVEMENT IN NET DEBT IN THE YEAR	150,715	(139,398)
Net funds at 1 April 2002	591,066	730,464
NET FUNDS AT 31 MARCH 2003	741,781	591,066

The notes on pages 7 to 18 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	2.5%	straight line
Motor vehicles	-	25%	straight line
Fixtures and equipment	-	15 - 25%	straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

1.9 Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2003 £	2002 £
Depreciation of tangible fixed assets:		
- owned by the company	69,538	62,286
- held under finance leases	44,587	44,657
Auditors' remuneration	14,367	10,915
Operating lease rentals:		
- land and buildings	34,748	33,346
- other operating leases	11,080	13,215
Difference on foreign exchange	(27,718)	8
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2003 £	2002 £
Wages and salaries	1,418,113	1,050,482
Social security costs	120,137	85,191
Other pension costs	54,301	43,330
	<u>1,592,551</u>	<u>1,179,003</u>

The average monthly number of employees, including directors, during the year was as follows:

	2003	2002
Sales	7	5
Administration	6	5
Operations	35	23
	<u>48</u>	<u>33</u>

4. DIRECTORS' REMUNERATION

	2003 £	2002 £
Emoluments	274,766	184,925
Company pension contributions to money purchase pension schemes	18,000	12,125

During the year retirement benefits were accruing to 3 directors (2002 - 2) in respect of money purchase pension schemes.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2003

The highest paid director received remuneration of £120,410 (2002 - £110,937) and contributions to money purchase pension schemes of £7,500 (2002 - £7,500).

5. INTEREST PAYABLE

	2003 £	2002 £
On bank loans and overdrafts	4,377	6,109
On finance leases and hire purchase contracts	7,724	7,646
	<u>12,101</u>	<u>13,755</u>

6. TAXATION

	2003 £	2002 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax on profits of the year	81,300	64,023
Adjustments in respect of prior periods	5,073	(238)
Total current tax	<u>86,373</u>	<u>63,785</u>
Deferred tax		
Origination and reversal of timing differences	(7,472)	95,800
Total deferred tax (see note 12)	<u>(7,472)</u>	<u>95,800</u>
Tax on profit on ordinary activities	<u>78,901</u>	<u>159,585</u>

Factors affecting tax charge for year

The tax assessed for the year is higher/ lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	257,037	306,240
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2002 - 30%)	77,111	91,872
Effects of:		
Expenses not deductible for tax purposes	14,420	8,024
Capital allowances for period in excess of depreciation	1,830	(23,490)
Marginal relief	(12,061)	(12,383)
Adjustments to tax charge in respect of prior periods	5,073	(238)
Current tax charge for year (see note above)	<u>86,373</u>	<u>63,785</u>

There were no factors that may affect future tax charges.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles £	Fixtures and equipment £	Total £
Cost				
At 1 April 2002	348,785	191,962	341,985	882,732
Additions	204,358	102,373	56,229	362,960
Disposals	-	(62,129)	-	(62,129)
At 31 March 2003	<u>553,143</u>	<u>232,206</u>	<u>398,214</u>	<u>1,183,563</u>
Depreciation				
At 1 April 2002	34,759	60,811	231,011	326,581
Charge for the year	8,724	52,126	53,275	114,125
On disposals	-	(44,185)	-	(44,185)
At 31 March 2003	<u>43,483</u>	<u>68,752</u>	<u>284,286</u>	<u>396,521</u>
Net book value				
At 31 March 2003	<u>509,660</u>	<u>163,454</u>	<u>113,928</u>	<u>787,042</u>
At 31 March 2002	<u>314,026</u>	<u>131,151</u>	<u>110,974</u>	<u>556,151</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2003 £	2002 £
Motor vehicles	156,658	131,151
Fixtures and equipment	7,493	10,541
	<u>164,151</u>	<u>141,692</u>

8. FIXED ASSET INVESTMENTS

	Unlisted invest- ments £
Cost	
At 1 April 2002	87,170
Additions	219,260
At 31 March 2003	<u>306,430</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

8. FIXED ASSET INVESTMENTS (continued)

Name of subsidiary undertaking	Proportion holding	Aggregate of share capital and reserves	Profit
Cargo Marketing (London) Limited	100%	£900	£Nil
Cargotrans Limited	100%	£100	£Nil
Cargo Marketing Services LLC	100%	£46,172	£16,330
North Star Cargo Services Limited	100%	£216,851	£42,753

All of the above companies were incorporated in England and were dormant during the year, except for Cargo Marketing Services LLC, which was incorporated in USA and traded in freight brokering throughout the year.

During the year the company acquired 100% of the issued share capital of North Star Cargo Services Limited for £219,260.

The company is unable to provide an indication of the contribution of the acquisition to the company's turnover and operating profit, as its activities have been completely integrated into the company.

9. DEBTORS

	2003 £	2002 £
Due within one year		
Trade debtors	3,349,987	3,085,515
Amounts owed by group undertakings	-	111,856
Other debtors	113,000	97,450
Prepayments and accrued income	63,419	40,529
	<u>3,526,406</u>	<u>3,335,350</u>

Included within other debtors due within one year are loans to the following directors:

M R Frearson £3,887 (2002 - £4,066) and Mrs T L Bennett £Nil (2002 -£72).

The maximum overdrawn balances during the year were £4,066 and £72 respectively.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2003

10. CREDITORS:

Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	14,712	14,712
Net obligations under finance leases and hire purchase contracts	66,317	46,442
Trade creditors	2,799,521	2,324,937
Amounts owed to group undertakings	34,621	74,144
Corporation tax	81,300	64,023
Social security and other taxes	45,080	74,530
Other creditors	162,776	169,899
Accruals and deferred income	200,326	407,551
	<u>3,404,653</u>	<u>3,176,238</u>

The bank borrowing is secured by fixed and floating charges over all the assets of the company.

11. CREDITORS:

Amounts falling due after more than one year

	2003	2002
	£	£
Bank loans	45,809	62,229
Net obligations under finance leases and hire purchase contracts	48,537	45,114
Amounts owed to group undertakings	111,551	111,551
Accruals and deferred income	93,518	-
	<u>299,415</u>	<u>218,894</u>

Included within the above are amounts falling due as follows:

	2003	2002
	£	£
Between one and two years		
Bank loans	12,712	12,712
Between two and five years		
Bank loans	33,097	25,424
Over five years		
Bank loans	-	24,093

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

11. CREDITORS:

Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2003 £	2002 £
Repayable by instalments	-	24,093
Repayable other than by instalments	111,551	111,551
	<u>111,551</u>	<u>135,644</u>

The bank loan is repaid quarterly by instalments and will be settled in full in December 2003.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2003 £	2002 £
Between two and five years	<u>48,537</u>	<u>45,114</u>

Bank loans and overdrafts are secured by a fixed and floating charge over all the assets of the company.

12. DEFERRED TAXATION

	2003 £	2002 £
At 1 April 2002	95,800	-
(Released during)/charge for the year	(7,472)	95,800
	<u>88,328</u>	<u>95,800</u>
At 31 March 2003	<u>88,328</u>	<u>95,800</u>

The deferred tax provision is made up as follows:

	2003 £	2002 £
Accelerated capital allowances	88,328	95,800
	<u>88,328</u>	<u>95,800</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

13. SHARE CAPITAL

	2003 £	2002 £
Authorised		
450,900 Ordinary shares of £1 each	<u>450,900</u>	<u>100,000</u>
Allotted, called up and fully paid		
450,900 Ordinary shares of £1 each	<u>450,900</u>	<u>1,000</u>

On 15 July 2002, the company converted 100 £1 ordinary shares into 10,000 £0.01 ordinary A shares. The company bought back the 10,000 ordinary A shares with a nominal value of £100 for a cash consideration of £130,800.

On 13 August 2002, the company carried out a 500 for 1 rights issue on the ordinary shares at a par for cash consideration of £450,000.

14. RESERVES

Share premium account	£
At 1 April 2002	<u>85,991</u>
At 31 March 2003	<u>85,991</u>
Profit and loss account	£
At 1 April 2002	<u>1,160,311</u>
Profit retained for the year	<u>178,136</u>
Purchase of share capital	<u>(130,800)</u>
At 31 March 2003	<u>1,207,647</u>
Capital redemption reserve	£
At 1 April 2002	-
Transfer on purchase of share capital	<u>100</u>
At 31 March 2003	<u>100</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2003

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the year	178,136	146,655
Shares issued during the year	450,000	-
Shares redeemed during the year	(130,800)	-
	<u>497,336</u>	<u>146,655</u>
Opening shareholders' funds	1,247,302	1,100,647
Closing shareholders' funds	<u>1,744,638</u>	<u>1,247,302</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	247,715	299,209
Depreciation of tangible fixed assets	114,125	106,943
Profit on disposal of tangible fixed assets	(2,059)	(38,660)
Increase in debtors	(302,912)	(227,449)
Decrease in amounts owed by group undertakings	111,856	345,863
Increase/(decrease) in creditors	230,786	(302,572)
Decrease in amounts owed to group undertakings	(39,523)	(147,491)
NET CASH INFLOW FROM OPERATIONS	<u>359,988</u>	<u>35,843</u>

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003 £	2002 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	21,423	20,786
Interest paid	(4,377)	(6,109)
Hire purchase interest	(7,724)	(7,646)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>9,322</u>	<u>7,031</u>

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2003

**17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT
(continued)**

	2003 £	2002 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(259,199)	(164,605)
Sale of tangible fixed assets	20,003	58,919
Purchase of unlisted and other investments	(219,260)	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(458,456)	(105,686)
	2003 £	2002 £
FINANCING		
Issue of ordinary shares	450,000	-
Purchase of own shares	(37,282)	-
Repayment of loans	(16,420)	(14,622)
Principal payment under finance lease	(80,463)	55,301
NET CASH INFLOW FROM FINANCING	315,835	40,679

18. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2002 £	Cash flow £	Other non-cash changes £	31 March 2003 £
Cash at bank and in hand:	759,563	157,593	-	917,156
DEBT :				
Finance leases	(91,556)	80,463	(103,761)	(114,854)
Debts due within one year	(14,712)	16,420	(16,420)	(14,712)
Debts falling due after more than one year	(62,229)	-	16,420	(45,809)
NET FUNDS	591,066	254,476	(103,761)	741,781

19. MAJOR NON-CASH TRANSACTIONS

During the year the company entered into finance lease agreements in respect of assets with a capital value at the inception of the lease of £94,577.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

20. CAPITAL COMMITMENTS

At 31 March 2003 the company had capital commitments as follows:

	2003	2002
	£	£
Contracted for but not provided in these financial statements	<u>640,000</u>	<u>-</u>

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge in respect of the year was £54,301. Contributions of £8,248 were outstanding at the balance sheet date and are included in creditors. The charge shown in the profit and loss account represents the amount payable by the company to the fund in respect of the year.

22. OPERATING LEASE COMMITMENTS

At 31 March 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2003	2002
	£	£
Expiry date:		
Within 1 year	53,100	-
Between 2 and 5 years	<u>27,608</u>	<u>35,000</u>

23. RELATED PARTY TRANSACTIONS

Directors

The following loans from directors were made during the year:

D G Horwell £154,528. The loan was not overdrawn during the year.

Overdrawn directors loan accounts are shown in note 11.

Transactions during the year ended 31 March 2003

With group undertakings

Sales of goods and services £291,356.

Purchases of goods and services £452,123.

All transactions were on normal commercial terms in the ordinary course of business. Details of the relationship between group undertakings are set out in note 10.

Amounts due to group undertakings £34,621.

Long term amount due to group undertaking £111,551.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2003

24. POST BALANCE SHEET EVENTS

There were no material events between the year end and the approval of the financial statements.

25. CONTROLLING PARTY

The company is controlled by D G Horwell who owns 94.42% of the issued share capital.