

AMENDED

CARGO MARKETING SERVICES LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 2004**

COMPANY NUMBER:01416708



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CARGO MARKETING SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS	Mr M R Frearson Mrs T L Bennett Mr D G Horwell
SECRETARY	Mrs T L Bennett
COMPANY NUMBER	01416708
REGISTERED OFFICE	Ocean House Marston Park Tamworth Staffordshire B78 3HU
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 2004

The directors present their report and the financial statements for the year ended 31 March 2004.

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 £293,096 (2003 - £178,136) .

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>31/3/04</u>	<u>1/4/03</u>
Mr M R Frearson	25,050	25,050
Mrs T L Bennett	-	-
Mr D G Horwell	425,750	425,750

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made charitable contributions in the year of £1,766 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.

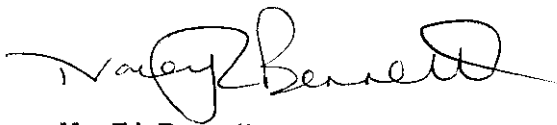
CARGO MARKETING SERVICES LIMITED

DIRECTORS' REPORT
For the year ended 31 March 2004

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 6th December 2004 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Mrs T L Bennett', with a stylized flourish at the end.

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 2004 set out on pages 4 to 19, together with the financial statements of the company for the year ended 31 March 2004 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 19 are properly prepared in accordance with those provisions.

Bentley Jennison

Bentley Jennison

Chartered Accountants
Registered Auditors

3 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD,

17 December 2004

CARGO MARKETING SERVICES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2004

	Note	2004 £	2003 £
GROSS PROFIT		2,793,443	2,502,654
Administrative expenses		<u>(2,482,313)</u>	<u>(2,254,939)</u>
OPERATING PROFIT	2	311,130	247,715
Interest receivable		18,778	21,423
Interest payable	5	<u>(33,209)</u>	<u>(12,101)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		296,699	257,037
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	<u>(3,603)</u>	<u>(78,901)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u>293,096</u>	<u>178,136</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

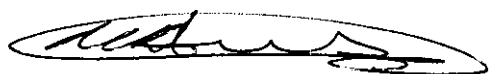
The notes on pages 7 to 19 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED

ABBREVIATED BALANCE SHEET
As at 31 March 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible fixed assets	7	1,511,398	787,042
Investments	8	304,021	306,430
		<u>1,815,419</u>	<u>1,093,472</u>
CURRENT ASSETS			
Debtors	9	3,522,848	3,526,406
Cash at bank and in hand		888,407	917,156
		<u>4,411,255</u>	<u>4,443,562</u>
CREDITORS: amounts falling due within one year	10	<u>(3,371,671)</u>	<u>(3,404,653)</u>
NET CURRENT ASSETS		<u>1,039,584</u>	<u>1,038,909</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,855,003</u>	<u>2,132,381</u>
CREDITORS: amounts falling due after more than one year	11	(812,815)	(299,415)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	(4,454)	(88,328)
NET ASSETS		<u>2,037,734</u>	<u>1,744,638</u>
CAPITAL AND RESERVES			
Called up share capital	13	450,958	450,968
Share premium account	14	85,991	85,991
Capital redemption reserve	14	42	32
Profit and loss account	14	1,500,743	1,207,647
SHAREHOLDERS' FUNDS - All Equity	15	<u>2,037,734</u>	<u>1,744,638</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 6th December 2004 and signed on its behalf.



Mr M R Frearson
Director



Mr D G Horwell
Director

The notes on pages 7 to 19 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED**ABBREVIATED CASH FLOW STATEMENT**
For the year ended 31 March 2004

	Note	2004 £	2003 £
Net cash flow from operating activities	16	351,549	359,988
Returns on investments and servicing of finance	17	(14,431)	9,322
Taxation		(82,602)	(69,096)
Capital expenditure and financial investment	17	(819,222)	(458,456)
CASH OUTFLOW BEFORE FINANCING		(564,706)	(158,242)
Financing	17	535,957	315,835
(DECREASE)/INCREASE IN CASH IN THE YEAR		(28,749)	157,593

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 31 March 2004

	2004 £	2003 £
(Decrease)/Increase in cash in the year	(28,749)	157,593
Cash (inflow)/outflow from decrease in debt and lease financing	(553,179)	96,883
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(581,928)	254,476
New finance lease	(29,235)	(103,761)
MOVEMENT IN NET DEBT IN THE YEAR	(611,163)	150,715
Net funds at 1 April 2003	741,781	591,066
NET FUNDS AT 31 MARCH 2004	130,618	741,781

The notes on pages 7 to 19 form part of these financial statements.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

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 not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those 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.

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2004

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.

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):

	2004	2003
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	70,976	69,538
- held under finance leases	58,427	44,587
Auditors' remuneration	14,600	14,367
Operating lease rentals:		
- land and buildings	63,004	34,748
- other operating leases - equipment	11,915	11,080
Difference on foreign exchange	(6,536)	(27,718)
	<u> </u>	<u> </u>

3. STAFF COSTS

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

	2004	2003
	£	£
Wages and salaries	1,495,735	1,418,113
Social security costs	167,737	120,137
Other pension costs	63,962	54,301
	<u>1,727,434</u>	<u>1,592,551</u>

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

	2004	2003
	No.	No.
Sales	7	7
Administration	6	6
Operations	40	35
	<u>53</u>	<u>48</u>

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2004

4. DIRECTORS' REMUNERATION

	2004 £	2003 £
Emoluments	<u>322,212</u>	<u>274,766</u>
Company pension contributions to money purchase pension schemes	<u>24,770</u>	<u>18,000</u>

During the year retirement benefits were accruing to 3 directors (2003 - 3) in respect of money purchase pension schemes.

The highest paid director received remuneration of £138,945 (2003 - £120,410).

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £8,270 (2003 - £7,500).

5. INTEREST PAYABLE

	2004 £	2003 £
On bank loans and overdrafts	24,405	4,377
On finance leases and hire purchase contracts	8,804	7,724
	<u>33,209</u>	<u>12,101</u>

6. TAXATION

	2004 £	2003 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax on profits of the year	86,175	81,300
Adjustments in respect of prior periods	1,302	5,073
Total current tax	<u>87,477</u>	<u>86,373</u>
Deferred tax		
Origination and reversal of timing differences	(83,874)	(7,472)
Total deferred tax (see note 12)	<u>(83,874)</u>	<u>(7,472)</u>
Tax on profit on ordinary activities	<u>3,603</u>	<u>78,901</u>

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

Factors affecting tax charge for year

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

	2004 £	2003 £
Profit on ordinary activities before tax	296,699	257,037
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2003 - 30%)	89,010	77,111
Effects of:		
Expenses not deductible for tax purposes	13,443	14,420
Capital allowances for period in excess of depreciation	(4,621)	1,830
Marginal relief	(11,657)	(12,061)
Adjustments to tax charge in respect of prior periods	1,302	5,073
Current tax charge for year (see note above)	87,477	86,373

There were no factors that may affect future tax charges.

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles £	Fixtures and equipment £	Total £
Cost				
At 1 April 2003	553,143	232,206	398,214	1,183,563
Additions	722,937	32,573	108,256	863,766
Disposals	-	(32,453)	-	(32,453)
At 31 March 2004	1,276,080	232,326	506,470	2,014,876
Depreciation				
At 1 April 2003	43,483	68,752	284,286	396,521
Charge for the year	12,579	62,393	54,431	129,403
On disposals	-	(22,446)	-	(22,446)
At 31 March 2004	56,062	108,699	338,717	503,478
Net book value				
At 31 March 2004	1,220,018	123,627	167,753	1,511,398
At 31 March 2003	509,660	163,454	113,928	787,042

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2004

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

	2004	2003
	£	£
Motor vehicles	115,811	156,658
Fixtures and equipment	-	7,493
	<u>115,811</u>	<u>164,151</u>

Included in land and buildings is freehold land at valuation of £200,000, (cost £200,000) which is not depreciated.

8. FIXED ASSET INVESTMENTS

	Shares in group under- takings £
Cost	
At 1 April 2003	306,430
Adjustment to deferred consideration	(2,409)
	<u>304,021</u>
At 31 March 2004	<u>304,021</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2004

8. FIXED ASSET INVESTMENTS (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Cargo Marketing (London) Limited	Dormant company
Cargotrans Limited	Dormant company
Cargo Marketing Services LLC	Freight brokerers
North Star Cargo Services Limited	Dormant company

The aggregate of the share capital and reserves as at 31 March 2004 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Cargo Marketing (London) Limited	900	-
Cargotrans Limited	100	-
Cargo Marketing Services LLC	(8,409)	5,290
North Star Cargo Services Limited	219,450	2,599
	<u>219,450</u>	<u>2,599</u>

All of the above companies were incorporated in England and Wales, except for Cargo Marketing Services LLC, which was incorporated in USA. All of the above companies are 100% owned by Cargo Marketing Services Limited.

9. DEBTORS

	2004 £	2003 £
Due within one year		
Trade debtors	3,217,501	3,349,987
Other debtors	217,798	113,000
Prepayments and accrued income	87,549	63,419
	<u>3,522,848</u>	<u>3,526,406</u>

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

M R Frearson £7,903 (2003 - £3,887). D G Horwell £119,130 (2003 - due to director £154,528).

The maximum overdrawn balances during the year were £7,903 and £806,384.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2004

10. CREDITORS:

Amounts falling due within one year

	2004	2003
	£	£
Bank loans and overdrafts	93,740	14,712
Net obligations under finance leases and hire purchase contracts	39,081	66,317
Trade creditors	2,859,892	2,799,521
Amounts owed to group undertakings	71,435	34,621
Corporation tax	86,175	81,300
Social security and other taxes	57,872	45,080
Other creditors	25,277	162,776
Accruals and deferred income	138,199	200,326
	<u>3,371,671</u>	<u>3,404,653</u>

The bank borrowing is secured by a fixed charge over the freehold property known as Marston Park, Tamworth.

11. CREDITORS:

Amounts falling due after more than one year

	2004	2003
	£	£
Bank loans	594,229	45,809
Net obligations under finance leases and hire purchase contracts	30,739	48,537
Amounts owed to group undertakings	111,551	111,551
Accruals and deferred income	76,296	93,518
	<u>812,815</u>	<u>299,415</u>

Included within the above are amounts falling due as follows:

	2004	2003
	£	£
Between one and two years		
Bank loans	55,864	12,712
	<u>55,864</u>	<u>12,712</u>
Between two and five years		
Bank loans	197,592	33,097
	<u>197,592</u>	<u>33,097</u>
Over five years		
Bank loans	340,773	-
	<u>340,773</u>	<u>-</u>

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2004

11. CREDITORS:

Amounts falling due after more than one year (continued)

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

	2004 £	2003 £
Repayable by instalments	340,773	-
Repayable other than by instalments	111,551	111,551
	<u>452,324</u>	<u>111,551</u>

The first bank loan is repaid quarterly by instalments and will be settled in full in July 2004.

The second bank loan is repaid monthly by instalments and will be settled in full in June 2013. This loan has an interest rate of 2.4% over the Barclays base rate of 4%.

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

	2004 £	2003 £
Between two and five years	30,739	48,537

The bank borrowing is secured by a fixed charge over the freehold property known as Marston Park, Tamworth.

12. DEFERRED TAXATION

	2004 £	2003 £
At 1 April 2003	88,328	95,800
Released during the year	(83,874)	(7,472)
	<u>4,454</u>	<u>88,328</u>

The deferred tax provision is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	4,454	88,328
	<u>4,454</u>	<u>88,328</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS**
For the year ended 31 March 2004

13. SHARE CAPITAL

	2004 £	2003 £
Authorised		
450,900 Ordinary shares of £1 each	450,900	450,900
10,000 A Ordinary shares of 1p each	100	100
	<u>451,000</u>	<u>451,000</u>
Allotted, called up and fully paid		
450,900 Ordinary shares of £1 each	450,900	450,900
5,833 A Ordinary shares of 1p each	58	68
	<u>450,958</u>	<u>450,968</u>

During the year 1,000 A Ordinary Shares of 1p each were purchased by the company for a cash consideration of £13,080.

14. RESERVES

Share premium account	£
At 1 April 2003 and 31 March 2004	<u>85,991</u>
Profit and loss account	£
At 1 April 2003	1,207,647
Profit retained for the year	293,096
At 31 March 2004	<u>1,500,743</u>
Capital redemption reserve	£
At 1 April 2003	32
Transfer on purchase of share capital	10
At 31 March 2004	<u>42</u>

CARGO MARKETING SERVICES LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****For the year ended 31 March 2004**

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the year	293,096	178,136
Shares issued during the year	-	450,000
Shares redeemed during the year	-	(130,800)
	<u>293,096</u>	<u>497,336</u>
Opening shareholders' funds	1,744,638	1,247,302
Closing shareholders' funds	<u>2,037,734</u>	<u>1,744,638</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit	311,130	247,715
Depreciation of tangible fixed assets	129,403	114,125
Profit on disposal of tangible fixed assets	(2,893)	(2,059)
Decrease/(increase) in debtors	3,558	(302,912)
Decrease in amounts owed by group undertakings	-	111,856
(Decrease)/increase in creditors	(126,463)	230,786
Increase/(decrease) in amounts owed to group undertakings	36,814	(39,523)
NET CASH INFLOW FROM OPERATIONS	<u>351,549</u>	<u>359,988</u>

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

	2004 £	2003 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	18,778	21,423
Interest paid	(24,405)	(4,377)
Hire purchase interest	(8,804)	(7,724)
NET CASH (OUTFLOW)/INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(14,431)</u>	<u>9,322</u>

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 March 2004

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

	2004 £	2003 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(834,531)	(259,199)
Sale of tangible fixed assets	12,900	20,003
Purchase of unlisted and other investments	2,409	(219,260)
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(819,222)</u>	<u>(458,456)</u>
	2004 £	2003 £
FINANCING		
Issue of ordinary shares	-	450,000
Purchase of own shares	(17,222)	(37,282)
New secured loans	627,448	-
Repayment of loans	-	(16,420)
Principal payment under finance lease	(74,269)	(80,463)
NET CASH INFLOW FROM FINANCING	<u>535,957</u>	<u>315,835</u>

18. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2003 £	Cash flow £	Other non-cash changes £	31 March 2004 £
Cash at bank and in hand:	917,156	(28,749)	-	888,407
DEBT :				
Finance leases	(114,854)	74,269	(29,235)	(69,820)
Debts due within one year	(14,712)	(627,448)	548,420	(93,740)
Debts falling due after more than one year	(45,809)	-	(548,420)	(594,229)
NET FUNDS	<u>741,781</u>	<u>(581,928)</u>	<u>(29,235)</u>	<u>130,618</u>

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 £29,235.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2004

20. CAPITAL COMMITMENTS

At 31 March 2004 the company had capital commitments as follows:

	2004	2003
	£	£
Contracted for but not provided in these financial statements	15,000	640,000

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 £63,962. Contributions of £8,845 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 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2004	2003
	£	£
Expiry date:		
Within 1 year	26,200	53,100
Between 2 and 5 years	2,375	27,608

23. RELATED PARTY TRANSACTIONS

Transactions during the year ended 31 March 2004

With group undertakings

Sales of goods and services £85,350.

Purchases of goods and services £427,047.

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 £71,233.

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

24. POST BALANCE SHEET EVENTS

On 7 July 2004, the company agreed the disposal of freehold land and buildings for £315,000 less costs. It is not anticipated to result in a material profit or loss.

CARGO MARKETING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2004

25. CONTROLLING PARTY

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