

C-TRAK LIMITED

Company Number: 01540407

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST MARCH 1995

BREEN & CO

CHARTERED ACCOUNTANTS
AND
REGISTERED AUDITORS



C-TRAK LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH 1995

The directors present their annual report with the accounts of the company for the year ended 31st March 1995.

STATEMENT OF DIRECTORS RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial accounts 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 accounts 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 ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and distribution of conveyor systems and accessories.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	<u>1995</u>	<u>1994</u>
A S Smith	840	840
M G Allen	100	100

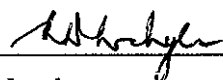
AUDIT

The auditors, Messrs Breen and Co will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTION

Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies.

Signed on behalf of the Board of Directors



R D Lockyer
Secretary

Date: 9-11-95

AUDITORS' REPORT TO THE SHAREHOLDERS OF
C-TRAK LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 judgments 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.

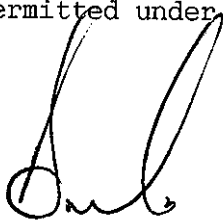
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

However, the evidence available to us was limited since we were not appointed auditors until after the balance sheet date. There were no satisfactory audit procedures we could adopt to verify the stock on hand at 31st March 1995 of £32,107.

OPINION

Except for any adjustment that may have been necessary had we been able to verify the stock figure, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In our opinion the subject matter of the foregoing qualification is not material for determining whether the dividend of £23,810 paid by the company is permitted under Section 263 of the Act.



BREEN AND CO
Chartered Accountants
and Registered Auditors

8 Leighton Road
Leighton Buzzard
Beds
LU7 7LF

Date: 9-11-95

C-TRAK LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1995

	<u>Notes</u>	£	1995	£	£	1994	£
TURNOVER			651,610			395,501	
Cost of Sales			402,126			231,774	
<u>GROSS PROFIT</u>			249,484			163,727	
Net Operating Expenses							
Administrative Expenses			196,373			127,999	
<u>OPERATING PROFIT</u>	2		53,111			35,728	
Bank Interest Received			1,363			33	
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>			54,474			35,761	
Interest Payable	3		3,820			8,125	
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>			50,654			27,636	
Tax on Ordinary Activities	4		13,680			7,707	
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>			36,974			19,929	
Dividends			23,810			5,000	
<u>RETAINED PROFIT FOR THE YEAR</u>			£ 13,164			£ 14,929	
<u>STATEMENT OF RETAINED EARNINGS</u>							
Retained Profit Brought Forward			56,326			41,397	
Retained Profit for the Year			13,164			14,929	
<u>RETAINED PROFIT CARRIED FORWARD</u>			£ 69,490			£ 56,326	

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The attached notes form part of these accounts.

C-TRAK LIMITED

BALANCE SHEET
AS AT 31ST MARCH 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible Assets	5	105,989	84,348
CURRENT ASSETS			
Stock		32,107	25,992
Debtors	6	49,868	68,864
Cash at Bank and in Hand		126,394	29,896
		208,369	124,752
CREDITORS : Amounts Falling Due within One Year	7	(218,253)	(126,814)
NET CURRENT LIABILITIES		(9,884)	(2,062)
TOTAL ASSETS LESS CURRENT LIABILITIES		96,105	82,286
CREDITORS : Amounts Falling Due After more than One Year	8	21,325	20,794
PROVISION FOR LIABILITIES AND CHARGES	9	4,290	4,166
		£ 70,490	£ 57,326
CAPITAL AND RESERVES			
Equity Interests:			
Share Capital	10	1,000	1,000
Profit and loss account		69,490	56,326
<u>TOTAL SHAREHOLDERS' FUNDS</u>	11	£ 70,490	£ 57,326

In the preparation of the accounts advantage has been taken of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

Signed on behalf of the board of directors


A S Smith
Director

Date:

9-11-95

The attached notes form part of these accounts.

C-TRAK LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1995

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention and include the results of the company's operations, which are described in the directors report, and all of which are continuing.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor Vehicles	25% on reducing balance
Plant and Equipment	20% on reducing balance
Fixtures and Fittings	20% on reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after making making due allowance for obsolete and slow-moving items.

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

C-TRAK LIMITED
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1995

	<u>1995</u> £	<u>1994</u> £
2. <u>OPERATING PROFIT</u>		
The Operating Profit (1994 - Profit) is stated after charging:		
Directors Remuneration	56,081	49,744
Depreciation	28,110	16,615
Auditors' Remuneration	3,324	3,500
Operating Lease Rentals: Land and Buildings	17,000	-
	<u>56,081</u>	<u>16,615</u>

3. INTEREST PAYABLE

Interest on Hire Purchase and Finance Lease Contracts	3,820	2,125
Other Interest Payable	-	6,000
	<u>3,820</u>	<u>8,125</u>

4. TAXATION

The tax charge on the profit on ordinary activities was as follows:

Corporation Tax	13,475	6,600
Deferred Taxation	124	1,107
Prior Year Adjustment	81	-
	<u>13,680</u>	<u>7,707</u>

Corporation tax has been charged on the profit at 25% (1994: 25%).

C-TRAK LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1995

5. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant & Equipment £	Fixtures & Fittings £	TOTAL £
COST				
At 1st April 1994	54,456	88,047	16,658	159,161
Additions in year	10,981	34,186	4,584	49,751
Disposals in year	-	-	(3,023)	(3,023)
At 31st March 1995	<u>65,437</u>	<u>122,233</u>	<u>18,219</u>	<u>205,889</u>
DEPRECIATION				
At 1st April 1994	14,667	47,130	13,016	74,813
Write Off On Disposal	-	-	(3,023)	(3,023)
Charge for year	9,948	14,973	3,189	28,110
At 31st March 1995	<u>24,615</u>	<u>62,103</u>	<u>13,182</u>	<u>99,900</u>
NET BOOK VALUE				
At 31st March 1995	<u>40,822</u>	<u>60,130</u>	<u>5,037</u>	<u>105,989</u>
At 31st March 1994	<u>39,789</u>	<u>40,916</u>	<u>3,643</u>	<u>84,348</u>

The above analysis includes the following in respect of assets held under finance leases and hire purchase contracts:

Net Book Value:				
31st March 1995	35,778	26,546	-	62,324
31st March 1994	<u>39,789</u>	<u>15,684</u>	<u>-</u>	<u>55,473</u>
Depreciation:				
Charge for 1995	8,267	6,637	-	14,904
Charge for 1994	<u>9,130</u>	<u>267</u>	<u>-</u>	<u>9,397</u>
Accumulated to:				
31st March 1995	15,157	6,904	-	22,061
31st March 1994	<u>14,667</u>	<u>267</u>	<u>-</u>	<u>14,934</u>

6. DEBTORS

	<u>1995</u> £	<u>1994</u> £
Amounts due within one year:		
Trade Debtors	37,071	62,294
Other Debtors	<u>12,797</u>	<u>6,570</u>
	<u>49,868</u>	<u>68,864</u>

C-TRAK LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1995

<u>7. CREDITORS</u>	<u>1995</u> £	<u>1994</u> £
Amounts falling due within one year:		
Bank Overdraft	46,345	-
Trade Creditors	71,123	41,930
Corporation Tax	13,475	6,572
Social Security and Other Taxes	22,124	15,080
Hire Purchase and Finance Leases (secured)	19,738	18,356
Short Term Loans	34,250	38,750
Other Creditors	11,198	6,126
	<u>218,253</u>	<u>126,814</u>
 <u>8. CREDITORS</u>		
Amounts falling due after more than one year:		
Hire Purchase and Finance Leases (secured)	21,325	20,794
	<u>21,325</u>	<u>20,794</u>
 <u>9. PROVISION FOR LIABILITIES AND CHARGES</u>		
Deferred Taxation:		
Balance at 1st April 1994	4,166	3,059
Charge for the year	124	1,107
Balance at 31st March 1995	<u>4,290</u>	<u>4,166</u>
 <u>10. SHARE CAPITAL</u>		
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, issued and fully paid:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
 <u>11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Profit for the financial year	36,974	19,929
Dividends	23,810	5,000
	<u>13,164</u>	<u>14,929</u>
Opening Shareholders' Funds	57,326	41,397
Closing Shareholders' Funds	<u>70,490</u>	<u>57,326</u>

C-TRAK LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1995

12. FINANCIAL COMMITMENTS

Operating Leases

At 31st March 1995 the company had annual commitments under non-cancellable operating leases as set out below :-

	<u>1995</u>	<u>1994</u>
	Land and Buildings	Land and Buildings
	£	£
Operating Leases that expire: over five years	17,000	17,000