

C-TRAK LIMITED

Company Number: 1540407

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST MARCH 1996



C-TRAK LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH 1996

The directors present their annual report with the accounts of the company for the year ended 31st March 1996.

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 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>1996</u>	<u>1995</u>
A S Smith	840	840
M G Allen	100	100

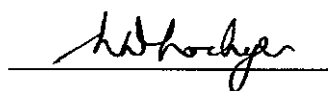
AUDITORS

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

SMALL COMPANY EXEMPTIONS

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

Signed on behalf of the
board of directors



R D Lockyer
Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF
C-TRAK LIMITED

We have audited the financial accounts 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 accounts. 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

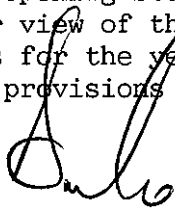
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

However, the evidence available to us was limited since the opening stock figure at 1st April 1995 had not been subject to audit in the previous year. There were no satisfactory audit procedures we could adopt to verify the figure of £32,107.

OPINION

Except for any adjustment that may have been necessary had we been able to confirm the opening stock figure, in our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



BREEN AND CO
and Registered Auditors
Chartered Accountants
8 Leighton Road
Linslade
Leighton Buzzard
Beds LU7 7LF

Date: 29th April 1997

C-TRAK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
TURNOVER	2	645,085	651,610
Cost of Sales		395,127	402,126
<u>GROSS PROFIT</u>		249,958	249,484
Net Operating Expenses			
Administrative Expenses		236,891	196,373
<u>OPERATING PROFIT</u>	3	13,067	53,111
Bank Interest Received		610	1,363
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		13,677	54,474
Interest Payable	4	11,694	3,820
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		1,983	50,654
Tax on Ordinary Activities	5	1,763	13,680
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		220	36,974
Dividends		-	23,810
<u>RETAINED PROFIT FOR THE YEAR</u>		£ 220	£ 13,164
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		69,490	56,326
Retained Profit for the Year		220	13,164
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 69,710	£ 69,490

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

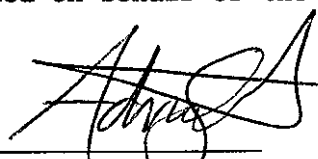
BALANCE SHEET

AS AT 31ST MARCH 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
FIXED ASSETS			
Tangible Assets	6	89,762	105,989
CURRENT ASSETS			
Stock		22,328	32,107
Debtors	7	131,602	49,868
Cash at Bank and in Hand		90,979	126,394
		<u>244,909</u>	<u>208,369</u>
CREDITORS : Amounts Falling Due within One Year	8	<u>(244,973)</u>	<u>(218,253)</u>
NET CURRENT LIABILITIES		(64)	(9,884)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>89,698</u>	<u>96,105</u>
CREDITORS : Amounts Falling Due After more than One Year	9	14,828	21,325
PROVISION FOR LIABILITIES AND CHARGES	10	<u>4,160</u>	<u>4,290</u>
		<u>£ 70,710</u>	<u>£ 70,490</u>
CAPITAL AND RESERVES			
Equity Interests			
Share Capital	11	1,000	1,000
Profit and Loss Account		69,710	69,490
TOTAL SHAREHOLDERS' FUNDS	12	<u>£ 70,710</u>	<u>£ 70,490</u>

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

Approved by the board: 29th April 1997

The attached notes form part of these accounts.

C-TRAK LIMITED

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

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	15% on reducing balance
Fixtures and Fittings	10% on reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after 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 loss.

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.

2. TURNOVER

In the opinion of the Directors, 1% of the company's turnover is attributable to geographical markets outside the UK.

C-TRAK LIMITED

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

3. OPERATING PROFIT

The Operating Profit (1995 - Profit) is stated after charging:

	<u>1996</u>	<u>1995</u>
	£	£
Directors Remuneration	57,781	56,081
Depreciation of Tangible Fixed Assets	20,132	13,139
Auditors' Remuneration	2,255	3,324
Operating Lease Rentals	17,000	17,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE

	<u>1996</u>	<u>1995</u>
	£	£
Interest on Hire Purchase and Finance Lease Contracts	4,816	3,820
Bank Interest	78	-
Other Interest Payable	6,800	-
	<u> </u>	<u> </u>
	11,694	3,820
	<u> </u>	<u> </u>

5. TAXATION

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

	<u>1996</u>	<u>1995</u>
	£	£
Corporation Tax	1,850	13,475
Deferred Taxation	(130)	124
Prior Year Adjustment	43	81
	<u> </u>	<u> </u>

Corporation tax has been charged on the profit at 25% (1995 25%).

C-TRAK LIMITED

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

6. TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant & Equipment	Fixtures & Fittings	TOTAL
COST	£	£	£	£
At 1st April 1995	65,436	122,233	18,219	205,888
Additions in the year	26,995	850	757	28,602
Disposals in the year	(41,186)	-	-	(41,186)
At 31st March 1996	51,245	123,083	18,976	193,304
DEPRECIATION				
At 1st April 1995	24,615	62,103	13,182	99,900
Write Off On Disposal	(16,329)	-	-	(16,329)
Charge for the year	6,616	12,196	1,159	19,971
At 31st March 1996	14,902	74,299	14,341	103,542
NET BOOK VALUE				
At 31st March 1996	36,343	48,784	4,635	89,762
At 31st March 1995	40,822	60,130	5,037	105,989

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

Net Book Value:				
31st March 1996	33,496	21,237	-	54,733
31st March 1995	35,778	26,546	-	62,324
Depreciation:				
Charge for 1996	5,667	5,309	-	10,976
Charge for 1995	8,267	6,637	-	14,904
Accumulated to:				
31st March 1996	10,999	12,213	-	23,212
31st March 1995	15,157	6,904	-	22,061

7. DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts due within one year:		
Trade Debtors	119,717	37,071
Other Debtors	11,885	12,797
	<u>131,602</u>	<u>49,868</u>

C-TRAK LIMITED

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

8. CREDITORS: Amounts falling
Due within One Year

	<u>1996</u>	<u>1995</u>
	£	£
Bank Overdraft	-	46,345
Trade Creditors	157,118	71,123
Corporation Tax	1,850	13,475
Social Security and Other Taxes	20,473	22,124
Hire Purchase and Finance Leases	18,140	19,738
Short Term Loans	34,250	34,250
Other Creditors	13,142	11,198
	<u>244,973</u>	<u>218,253</u>

9. CREDITORS: Amounts Falling
Due After more than One Year

	<u>1996</u>	<u>1995</u>
	£	£
Hire Purchase and Finance Leases	14,828	21,325
	<u>14,828</u>	<u>21,325</u>

10. PROVISION FOR LIABILITIES AND CHARGES

	<u>1996</u>	<u>1995</u>
	£	£
Deferred Taxation:		
Balance at 1st April 1995	4,290	4,166
Charge/ Credit for the Year	(130)	124
	<u>4,160</u>	<u>4,290</u>

11. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	£	£
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Allotted, Issued and Fully Paid:		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

C-TRAK LIMITED

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u> £	<u>1995</u> £
Profit for the financial year	220	36,974
Dividends	-	23,810
	<u>220</u>	<u>13,164</u>
Opening Shareholders' Funds	70,490	57,326
Closing Shareholders' Funds	<u>70,710</u>	<u>70,490</u>

13. FINANCIAL COMMITMENTS

Operating Leases

At 31st March 1996 the company had annual commitments under non-cancellable operating leases as set out below :-

	<u>1996</u> <u>Land and</u> <u>Buildings</u> £	<u>1995</u> <u>Land and</u> <u>Buildings</u> £
Operating Leases that expire: in the second to fifth years	<u>17,000</u>	<u>17,000</u>