

FREIGHT SYSTEMS EUROPE LIMITED
FINANCIAL STATEMENTS
30 APRIL 2000

Registered number: 02027375



KENNETH TOINTON ASSOCIATES LTD
CHARTERED CERTIFIED ACCOUNTANTS
Westcliff-on-Sea

FREIGHT SYSTEMS EUROPE LIMITED
FINANCIAL STATEMENTS
for the year ended 30 April 2000

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The following pages do not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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COMPANY INFORMATION

30 April 2000

DATE OF INCORPORATION 1 November 1997

REGISTERED NUMBER 02027375

DIRECTORS L J Vaessen Esq
Mrs S E Vaessen

SECRETARY Mrs S E Vaessen

AUDITORS Kenneth Tointon Associates Ltd
Chartered Certified Accountants
Cereals House
21 Station Road
Westcliff-on-Sea
Essex SS0 7RA

DIRECTORS' REPORT

30 April 2000

The directors present their report and the audited financial statements for the year ended 30 April 2000.

Principal activity

The principal activity of the company is that of freight forwarders.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30 April 2000 Ordinary shares	1 May 1999 Ordinary shares
L J Vaessen Esq	1	1
Mrs S E Vaessen	1	1

Auditors

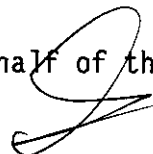
The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary, Kenneth Tointon Associates Ltd will continue in office.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 7 have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

On behalf of the board



Mrs S E Vaessen
Secretary

15 November 2000

FREIGHT SYSTEMS EUROPE LIMITED
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 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.

On behalf of the board

A handwritten signature in black ink, appearing to read 'L J Vaessen', with a long horizontal stroke extending to the right.

L J Vaessen Esq
Chairman

15 November 2000

FREIGHT SYSTEMS EUROPE LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Freight Systems Europe Limited

We have audited the financial statements on pages 5 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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 statements and to report our opinion to you.

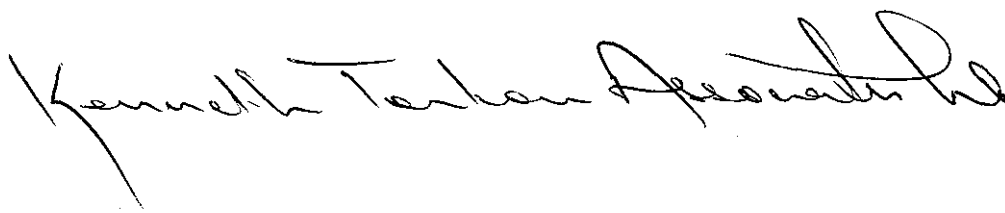
Basis of opinion

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 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 error or other irregularity. 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 company's affairs as at 30 April 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Kenneth Tointon', is written over a horizontal line.

Westcliff-on-Sea
15 November 2000

Kenneth Tointon Associates Ltd
Registered Auditors
Chartered Certified Accountants

FREIGHT SYSTEMS EUROPE LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2000

	Note	2000 £	1999 £
Turnover	2	683,359	729,178
Cost of sales		(554,803)	(586,085)
Gross profit		128,556	143,093
Net operating expenses			
Administrative expenses		(114,281)	(126,802)
Operating profit	3	14,275	16,291
Investment income	4	848	561
Profit on ordinary activities before taxation		15,123	16,852
Taxation	5	(4,170)	(1,554)
Profit on ordinary activities after taxation		10,953	15,298
retained for the year	11	<u>10,953</u>	<u>15,298</u>

Movements in reserves are shown in note 11.

BALANCE SHEET

at 30 April 2000

	Note	£	2000	£	£	1999	£
Fixed assets							
Intangible assets	6		2,860			3,860	
Tangible assets	7		5,394			10,726	
			<u>8,254</u>			<u>14,586</u>	
Current assets							
Debtors	8	137,980			150,881		
Cash at bank and in hand		<u>37,912</u>			<u>48,022</u>		
			175,892			198,903	
Creditors: amounts falling due within one year	9	(163,906)			(204,204)		
Net current assets			<u>11,986</u>			<u>5,301</u>	
Total assets less current liabilities			<u>20,240</u>			<u>9,285</u>	
Capital and reserves							
Called up share capital	10		2			2	
Profit and loss account	11		<u>20,238</u>			<u>9,283</u>	
Total shareholders' funds			<u>20,240</u>			<u>9,285</u>	

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements on pages 5 to 7 were approved by the board of directors on 15 November 2000 and signed on its behalf by:

L J Vaessen Esq
Director

S Vaessen
Director

NOTES ON FINANCIAL STATEMENTS

30 April 2000

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

The financial statements have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The company has taken advantage of the exemption from preparing a cash flow statement on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Motor vehicles	25% Straight line
Other tangible fixed assets	25% Straight line
Goodwill	Depreciated over 5 years useful life

Pensions

The company operates a defined contributions pension scheme. Contributions are charged to the profit and loss account as they fall due for payment.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

2 Turnover

In the opinion of the directors, 19.81% of the turnover of the company is attributable to geographical markets outside the UK (1999 - 19.50%).

3 Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Loss on sale of assets	2,325	-
Depreciation of tangible fixed assets (note 7):		
Owned assets	3,998	3,750
Amortisation of intangible fixed assets	1,000	1,000
	<u>4,998</u>	<u>4,750</u>

NOTES ON FINANCIAL STATEMENTS

30 April 2000

4 Investment income

	2000 £	1999 £
Interest receivable	<u>848</u>	<u>561</u>

5 Taxation

	2000 £	1999 £
Corporation tax on profit on ordinary activities at 20% (1999 20%)	<u>4,170</u>	<u>1,554</u>

6 Intangible fixed assets

	Goodwill £
Cost	
1 May 1999 and 30 April 2000	<u>5,000</u>
Amortisation	
1 May 1999	1,140
Charge for the year	<u>1,000</u>
30 April 2000	<u>2,140</u>
Net book amount	
30 April 2000	<u>2,860</u>
1 May 1999	<u>3,860</u>

NOTES ON FINANCIAL STATEMENTS

30 April 2000

7 Tangible fixed assets

	Plant and Machinery etc £
Cost	
1 May 1999	15,000
Additions	991
Disposals	(5,000)
30 April 2000	<u>10,991</u>
Depreciation	
1 May 1999	4,274
Charge for the year	3,998
Disposals	(2,675)
30 April 2000	<u>5,597</u>
Net book amount	
30 April 2000	<u>5,394</u>
1 May 1999	<u>10,726</u>

8 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	137,980	147,738
Other debtors	-	3,143
	<u>137,980</u>	<u>150,881</u>

9 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank overdrafts	3,385	-
Trade creditors	98,766	117,415
Corporation tax	4,170	1,554
Other taxation and social security	7,985	1,342
Other creditors	49,600	83,893
	<u>163,906</u>	<u>204,204</u>

NOTES ON FINANCIAL STATEMENTS

30 April 2000

10 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Allotted, called up and fully paid				
Authorised share capital	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

11 Profit and loss account

	2000 £
1 May 1999	9,285
Retained profit for the year	<u>10,953</u>
30 April 2000	<u>20,238</u>

FREIGHT SYSTEMS EUROPE LIMITED

NOTES ON FINANCIAL STATEMENTS

30 April 2000

12 Related parties

The company had the following transactions with related parties during the year ended 30 April 2000 that require disclosure, as in accordance with Financial Reporting Standard Number 8.

DetailsNature

European Spedition Ltd

During the year the company made sales of £13,260 to European Spedition Ltd and purchased goods and services to the value of £39,456 from European Spedition Ltd.

Included in the trade debtors balance at the year end is an amount owed by European Spedition Ltd totaling £1,681. There is also a balance included in trade creditors due to European Spedition Ltd totaling £2,125.

Included in other creditors is a Inter company loan from European Spedition Ltd. The amount outstanding at the balance sheet date was £18,140.

There is a Inter company service charge included in the profit and loss account totaling £10,200, this relates to a charge paid to European Spedition Ltd in respect of services and premises costs incurred on its behalf.