

REGISTERED NUMBER: 2070621 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

FOR

PRIMOR FREIGHT LIMITED



D.R.E. & Co.
Chartered Accountants
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

PRIMOR FREIGHT LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2002

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PRIMOR FREIGHT LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2002

DIRECTORS:

D M Price
H B Price

SECRETARY:

H B Price

REGISTERED OFFICE:

Weston House Mill
Morda
Oswestry
SHROPSHIRE

REGISTERED NUMBER:

2070621 (England and Wales)

AUDITORS:

D.R.E. & Co.
Chartered Accountants
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

PRIMOR FREIGHT LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2002**

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of international freight forwarders.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £10000 per share.

The total distribution of dividends for the year ended 31 December 2002 will be £10,000.

Mr D M Price, director, has waived his right to receive the dividend for the current year.

DIRECTORS

The directors during the year under review were:

D M Price
H B Price

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

	31.12.02	1.1.02
Ordinary £1 shares		
D M Price	3	3
H B Price	1	1

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.

PRIMOR FREIGHT LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2002

AUDITORS

The auditors, D.R.E. & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

D M Price - Director

A handwritten signature in black ink, appearing to read 'D M Price', with a double underline beneath the name.

14 October 2003

REPORT OF THE INDEPENDENT AUDITORS TO
PRIMOR FREIGHT LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages five to sixteen, together with the full financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

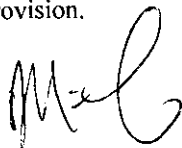
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of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

Basis of 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to sixteen are properly prepared in accordance with that provision.



D.R.E. & Co.
Chartered Accountants
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

14 October 2003

PRIMOR FREIGHT LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31 DECEMBER 2002

		<u>31.12.02</u>	<u>31.12.01</u>
	Notes	£	£
GROSS PROFIT		339,281	300,873
Administrative expenses		<u>262,970</u>	<u>279,265</u>
OPERATING PROFIT	3	76,311	21,608
Interest receivable and similar income		<u>150</u>	<u>615</u>
		76,461	22,223
Interest payable and similar charges	4	<u>21,136</u>	<u>19,880</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		55,325	2,343
Tax on profit on ordinary activities	5	<u>5,562</u>	<u>6,424</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		49,763	(4,081)
Dividends	6	<u>10,000</u>	-
		39,763	(4,081)
Retained profit brought forward		<u>770,079</u>	<u>774,160</u>
RETAINED PROFIT CARRIED FORWARD		<u>£809,842</u>	<u>£770,079</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

PRIMOR FREIGHT LIMITED**ABBREVIATED BALANCE SHEET**
31 DECEMBER 2002

		31.12.02		31.12.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		600,629		697,419
Investments	8		98,711		89,833
			<u>699,340</u>		<u>787,252</u>
CURRENT ASSETS:					
Stocks	9	10,248		11,351	
Debtors	10	840,408		771,712	
Cash at bank and in hand		98,668		97,703	
		<u>949,324</u>		<u>880,766</u>	
CREDITORS: Amounts falling due within one year	11	566,173		538,605	
NET CURRENT ASSETS:			<u>383,151</u>		<u>342,161</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,082,491		1,129,413
CREDITORS: Amounts falling due after more than one year	12		(186,838)		(270,100)
PROVISIONS FOR LIABILITIES AND CHARGES:	16		(16,787)		(20,210)
			<u>£878,866</u>		<u>£839,103</u>
CAPITAL AND RESERVES:					
Called up share capital	17		4		4
Revaluation reserve	18		69,020		69,020
Profit and loss account			809,842		770,079
SHAREHOLDERS' FUNDS:	20		<u>£878,866</u>		<u>£839,103</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



D M Price - Director

Approved by the Board on 14 October 2003

The notes form part of these financial statements

PRIMOR FREIGHT LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	31.12.02		31.12.01	
		£	£	£	£
Net cash inflow from operating activities	1		21,399		227,681
Returns on investments and servicing of finance	2		(20,986)		(19,265)
Taxation			(1,512)		(14,573)
Capital expenditure and financial investment	2		160,576		(36,187)
Equity dividends paid			-		(20,000)
			159,477		137,656
Financing	2		(158,512)		(136,662)
Increase in cash in the period			£965		£994
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period			965		994
Cash outflow from decrease in debt and lease financing			6,994		38,907
Change in net debt resulting from cash flows			7,959		39,901
Movement in net debt in the period			7,959		39,901
Net debt at 1 January			(13,402)		(53,303)
Net debt at 31 December			£(5,443)		£(13,402)

The notes form part of these financial statements

PRIMOR FREIGHT LIMITED**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2002**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.12.02 £	31.12.01 £
Operating profit	76,311	21,608
Depreciation charges	87,204	88,755
Profit on sale of fixed assets	(14,878)	(17,766)
Decrease in stocks	1,103	3,099
(Increase)/Decrease in debtors	(68,696)	100,178
(Decrease)/Increase in creditors	(59,645)	31,807
Net cash inflow from operating activities	21,399	227,681

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

	31.12.02 £	31.12.01 £
Returns on investments and servicing of finance		
Interest received	150	615
Interest paid	(10,282)	(13,840)
Interest element of hire purchase payments	(10,854)	(6,040)
Net cash outflow for returns on investments and servicing of finance	(20,986)	(19,265)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,576)	(93,060)
Purchase of fixed asset investments	(8,878)	(8,877)
Sale of tangible fixed assets	172,030	65,750
Net cash inflow/(outflow) for capital expenditure	160,576	(36,187)
Financing		
Capital element of HP payments	(151,985)	(146,388)
Amount withdrawn by directors	(6,527)	9,726
Net cash outflow from financing	(158,512)	(136,662)

PRIMOR FREIGHT LIMITED**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2002**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.02 £	Cash flow £	At 31.12.02 £
Net cash:			
Cash at bank and in hand	97,703	965	98,668
	<u>97,703</u>	<u>965</u>	<u>98,668</u>
Debt:			
Hire purchase	(111,105)	6,994	(104,111)
	<u>(111,105)</u>	<u>6,994</u>	<u>(104,111)</u>
Total	<u>(13,402)</u>	<u>7,959</u>	<u>(5,443)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	97,703		98,668
Hire purchase			
within one year	(71,144)		(70,846)
after one year	(39,961)		(33,265)
	<u>(111,105)</u>		<u>(104,111)</u>
	<u>(13,402)</u>		<u>(5,443)</u>

PRIMOR FREIGHT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2002**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold Property	- 1% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	31.12.02	31.12.01
	£	£
Wages and salaries	119,255	119,570
Other pension costs	21,433	23,502
	<u>140,688</u>	<u>143,072</u>

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

	31.12.02	31.12.01
Administration	<u>4</u>	<u>4</u>

PRIMOR FREIGHT LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002****3. OPERATING PROFIT**

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

	31.12.02	31.12.01
	£	£
Depreciation - owned assets	10,004	25,994
Depreciation - assets on hire purchase contracts	77,200	62,761
Profit on disposal of fixed assets	(14,878)	(17,766)
Auditors' remuneration	7,111	6,653
	<u>71,200</u>	<u>67,250</u>
Directors' emoluments	<u>71,200</u>	<u>67,250</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.02	31.12.01
	£	£
Mortgage	10,282	13,840
Hire purchase	10,854	6,040
	<u>21,136</u>	<u>19,880</u>

5. TAXATION**Analysis of the tax charge**

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

	31.12.02	31.12.01
	£	£
Current tax:		
UK corporation tax	8,987	1,514
Under/(over) provision in previous years	(2)	(60)
Total current tax	<u>8,985</u>	<u>1,454</u>
Deferred taxation	<u>(3,423)</u>	<u>4,970</u>
Tax on profit on ordinary activities	<u>5,562</u>	<u>6,424</u>

6. DIVIDENDS

	31.12.02	31.12.01
	£	£
Equity shares:		
Final - share type 1	<u>10,000</u>	<u>-</u>

PRIMOR FREIGHT LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

7. TANGIBLE FIXED ASSETS

	Freehold Property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST OR VALUATION:					
At 1 January 2002	440,380	406,421	17,536	99,980	964,317
Additions	-	135,461	605	25,085	161,151
Disposals	(88,380)	(166,270)	-	(30,500)	(285,150)
At 31 December 2002	352,000	375,612	18,141	94,565	840,318
DEPRECIATION:					
At 1 January 2002	3,620	210,588	10,089	42,601	266,898
Charge for year	3,520	65,479	805	17,400	87,204
Eliminated on disposals	-	(96,780)	-	(17,633)	(114,413)
At 31 December 2002	7,140	179,287	10,894	42,368	239,689
NET BOOK VALUE:					
At 31 December 2002	344,860	196,325	7,247	52,197	600,629
At 31 December 2001	436,760	195,833	7,447	57,379	697,419

Cost or valuation at 31 December 2002 is represented by:

	Freehold Property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
Valuation in 1996	2,000	-	-	-	2,000
Valuation in 2000	350,000	-	-	1,200	351,200
Cost	-	375,612	18,141	93,365	487,118
	352,000	375,612	18,141	94,565	840,318

PRIMOR FREIGHT LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002****7. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 January 2002	274,271	56,020	330,291
Additions	133,490	25,085	158,575
Disposals	(93,570)	-	(93,570)
At 31 December 2002	314,191	81,105	395,296
DEPRECIATION:			
At 1 January 2002	124,456	17,559	142,015
Charge for year	61,313	15,887	77,200
Eliminated on disposals	(55,514)	-	(55,514)
At 31 December 2002	130,255	33,446	163,701
NET BOOK VALUE:			
At 31 December 2002	183,936	47,659	231,595
At 31 December 2001	149,815	38,461	188,276

8. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	31.12.02 £	31.12.01 £
Investments	98,711	89,833

9. STOCKS

	31.12.02 £	31.12.01 £
Stock	10,248	11,351

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.02 £	31.12.01 £
Trade debtors	708,228	682,586
Other debtors	93,665	82,213
Prepayments & accrued income	38,515	6,913
	840,408	771,712

PRIMOR FREIGHT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.02	31.12.01
	£	£
Hire purchase contracts (see note 14)	70,846	71,144
Trade creditors	418,094	411,472
Directors current accounts	5,099	11,626
Dividend proposed	10,000	-
Social security & other taxes	15,816	16,762
Taxation	8,987	1,514
Accrued expenses	37,331	26,087
	<u>566,173</u>	<u>538,605</u>

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.12.02	31.12.01
	£	£
Bank loans (see note 13)	153,573	230,139
Hire purchase contracts (see note 14)	33,265	39,961
	<u>186,838</u>	<u>270,100</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.12.02	31.12.01
	£	£
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans	<u>153,573</u>	<u>230,139</u>

One of the Directors, Mr D M Price has given a personal guarantee to The Royal Bank of Scotland PLC, for £30,000 as security for an overdraft facility.

PRIMOR FREIGHT LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002****14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	31.12.02	31.12.01
	£	£
Gross obligations repayable:		
Within one year	76,152	76,881
Between one and five years	34,238	42,409
	110,390	119,290
Finance charges repayable:		
Within one year	5,306	5,737
Between one and five years	973	2,448
	6,279	8,185
Net obligations repayable:		
Within one year	70,846	71,144
Between one and five years	33,265	39,961
	104,111	111,105

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.02	31.12.01
	£	£
Bank loans	153,573	230,139
Hire purchase contracts	104,111	111,105
	257,684	341,244

The mortgage is secured by a fixed charge over the freehold property of the company.

16. PROVISIONS FOR LIABILITIES AND CHARGES

	31.12.02	31.12.01
	£	£
Deferred taxation	16,787	20,210
	Deferred tax	
	£	
Balance at 1 January 2002	20,210	
Charge for the year	(3,423)	
Balance at 31 December 2002	16,787	

PRIMOR FREIGHT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.12.02	31.12.01
		value:	£	£
100	Ordinary	£1	100	100
			<u> </u>	<u> </u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.12.02	31.12.01
		value:	£	£
4	Ordinary	£1	4	4
			<u> </u>	<u> </u>

18. REVALUATION RESERVE

	31.12.02	31.12.01
	£	£
Brought forward	69,020	69,020
	<u> </u>	<u> </u>

19. TRANSACTIONS WITH DIRECTORS

During the year H B Price, a director, purchased a property from the company at its market value of £88,000.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.02	31.12.01
	£	£
Profit/(Loss) for the financial year	49,763	(4,081)
Dividends	(10,000)	-
	<u> </u>	<u> </u>
Net addition/(reduction) to shareholders' funds	39,763	(4,081)
Opening shareholders' funds	839,103	843,184
	<u> </u>	<u> </u>
Closing shareholders' funds	878,866	839,103
	<u> </u>	<u> </u>
Equity interests	878,866	839,103
	<u> </u>	<u> </u>