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COMPANIES HOUSE

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2004



BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

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COMPANY INFORMATION

Directors: B. Malandrinos Esq. (Chairman)
Mrs. P. Malandrinos
Mrs. D.I. Henderson
P. Griffiths Esq.
T. Walker Esq.

Secretary: Mrs. D. Henderson

Auditors: Leach & Co.
Ashley House,
136 Tolworth Broadway
Surbiton, Surrey
KT6 7LA

Registered Office: Ashley House,
136 Tolworth Broadway
Surbiton, Surrey
KT6 7LA

Registered Number: 2603821, England

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS TO THE MEMBERS OF BAZ-ROLL INTERNATIONAL LIMITED

The directors have pleasure in presenting their annual report and audited financial statements of the company and the group for the year ended 31 May 2004.

Principal activity

The principal activity of the group during the year was that of dealers in industrial and agricultural materials handling equipment.

Directors and their interests in the shares of the group

The directors who served on the board throughout the year, and their shareholdings in the company and in the subsidiary companies were as follows:

	Ordinary shares of £1 each	
	Baz-Roll International Limited	
	1 June 2003	31 May 2004
B. Malandrinos Esq.	1,250	1,250
Mrs. P. Malandrinos	250	250
Mrs. D.I. Henderson	-	-
P. Griffiths Esq.	-	-
T. Walker Esq.	-	-

No director had any interest in any of the subsidiary companies.

Trustee shareholding

200 ordinary shares of £1 each are held by the Marina Malandrinos Will Trust. M A Boundy a partner in Leach & Co, the company's auditors, is a joint trustee with B A Malandrinos and N D Millett.

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;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES**REPORT OF THE DIRECTORS
TO THE MEMBERS OF BAZ-ROLL INTERNATIONAL LIMITED
(CONTINUED)****Auditors**

Messrs. Leach & Co., Chartered Accountants, have expressed their willingness to continue in office and a resolution proposing their reappointment as auditors to the company will be put to the forthcoming annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small groups.

Signed on behalf of the board of directors



Mrs. D. Henderson

Secretary

Date: 1 December 2004

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BAZ-ROLL INTERNATIONAL LIMITED

We have audited the financial statements of Baz-Roll International Limited for the year ended 31 May 2004 which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 other irregularity or error. 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 affairs of the company and the group as at 31 May 2004 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



LEACH & CO.
Chartered Accountants
& Registered Auditors

Ashley House,
136 Tolworth Broadway
Surbiton
Surrey, KT6 7LA

Date: 1 December 2004

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2004

	Note	2004	2003
TURNOVER	2	2,595,309	2,293,792
Cost of sales		1,477,697	1,407,318
GROSS PROFIT		1,117,612	886,474
Selling and distribution costs		64,273	66,246
Administrative expenses		714,322	646,693
OPERATING PROFIT	3	339,017	173,535
Investment income	6	12,867	8,025
Interest payable and similar charges		(15,916)	(21,129)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		335,968	160,431
Tax on profit on ordinary activities	7	73,836	36,584
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		262,132	123,847
Minority interests		-	-
PROFIT ATTRIBUTABLE TO MEMBERS OF THE HOLDING COMPANY	8	262,132	123,847
Proposed dividend on ordinary shares		-	-
RETAINED PROFIT FOR THE FINANCIAL YEAR	17	£ 262,132	£ 123,847

All of the group's operations are classed as continuing.

There are no recognised gains or losses other than those included in the profit and loss account.

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

**GROUP BALANCE SHEET
AS AT 31 MAY 2004**

	Note	2004	2003
FIXED ASSETS			
Tangible assets	9	548,235	566,906
CURRENT ASSETS			
Stock	11	637,353	584,018
Debtors	12	652,680	637,939
Cash at bank and in hand		603,822	500,364
		<u>1,893,855</u>	<u>1,722,321</u>
CREDITORS: Amounts falling due			
within one year	13	728,457	764,846
		<u>1,165,398</u>	<u>957,475</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		1,713,633	1,524,381
CREDITORS: Amounts falling due			
after one year	14	(109,116)	(182,496)
		<u>1,604,517</u>	<u>1,341,885</u>
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	15	(2,900)	(2,400)
		<u>£ 1,601,617</u>	<u>£ 1,339,485</u>
CAPITAL AND RESERVES			
Called-up share capital	16	1,700	1,700
Profit and loss account	17	1,599,917	1,337,785
SHAREHOLDERS' FUNDS		<u>£ 1,601,617</u>	<u>£ 1,339,485</u>

These accounts have been prepared in accordance with the special provisions relating to small groups within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).



B. Malandrinos, Director

The financial statements were approved by the board of directors on 1 December 2004.

BAZ-ROLL INTERNATIONAL LIMITED

BALANCE SHEET
AS AT 31 MAY 2004

	Note	2004	2003
FIXED ASSETS			
Tangible assets	9	380,254	387,478
Investments	10	1,200	1,200
		<u>381,454</u>	<u>388,678</u>
CURRENT ASSETS			
Stock		27,206	-
Debtors	12	584,342	645,794
Cash at bank and in hand		102,557	54,514
		<u>714,105</u>	<u>700,308</u>
CREDITORS: Amounts falling due within one year	13	<u>574,240</u>	<u>559,554</u>
NET CURRENT ASSETS		139,865	140,754
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>521,319</u>	<u>529,432</u>
CREDITORS: Amounts falling due after one year	14	(93,753)	(166,041)
		<u>£ 427,566</u>	<u>£ 363,391</u>
CAPITAL AND RESERVES			
Called-up share capital	16	1,700	1,700
Profit and loss account	17	425,866	361,691
SHAREHOLDERS' FUNDS (All equity interest)		<u>£ 427,566</u>	<u>£ 363,391</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).



B. Malandrinos, Director

The financial statements were approved by the Board of Directors on 1 December 2004

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2004****I. ACCOUNTING POLICIES**

The principal accounting policies which are adopted in the preparation of the financial statements are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention.

The consolidated accounts have been prepared using the merger method of accounting.

Turnover

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

Tangible fixed assets

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost of each asset over its expected useful life. Details are as follows:

Plant and machinery	15% p.a. straight line
Motor vehicles	25% p.a. on net book value
Fixtures and fittings	15% p.a. on net book value
Computer equipment	20% p.a. on net book value
Freehold buildings	2% p.a. on cost

Stocks

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

Deferred taxation

Full provision is made using the liability method for all timing differences.

Foreign currencies

Transactions in foreign currencies are converted to sterling at the rate ruling at the time of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 20042. **TURNOVER**

The turnover and profit before taxation is attributable to the one principal activity of the company.

3. **OPERATING PROFIT**

This is stated after charging:

	Group	
	2004	2003
	£	£
Directors' remuneration (Note 5)	175,239	175,541
Auditors' remuneration	12,520	7,122
Depreciation of tangible fixed assets	50,866	58,861
Loss on sale of tangible fixed assets	5,189	1,774

4. **STAFF COSTS**

Wages and salaries	475,702	444,041
Social security costs	52,630	39,186
	£ 528,332	£ 483,227

5. **DIRECTORS' REMUNERATION**

Emoluments for services as directors	137,490	128,537
Benefits in kind	37,749	47,184
	£ 175,239	£ 175,721

6. **INVESTMENT INCOME**

Bank interest	£ 12,867	£ 8,025
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7. **TAX ON PROFIT ON ORDINARY ACTIVITIES**

Based on the profit for the year:

Corporation tax at 22% (2003 - 23%)	73,336	40,784
Transfer from deferred taxation	500	(4,200)
	£ 73,836	£ 36,584

8. **PARENT COMPANY PROFIT FOR THE YEAR ENDED 31 MAY 2004**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts.

The parent company's profit for the year after taxation was £64,175 (2003 - £64,285).

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2004**

9. TANGIBLE FIXED ASSETS

THE GROUP

Cost	Freehold land & buildings	Plant and machinery etc.	Total
At 1 June 2003	466,927	479,611	946,538
Additions	-	77,433	77,433
Disposals	-	(78,141)	(78,141)
At 31 May 2004	466,927	478,903	945,830

Depreciation

At 1 June 2003	79,449	300,183	379,632
Provided this year	7,224	43,641	50,865
Released on disposals	-	(32,902)	(32,902)
At 31 May 2004	86,673	310,922	397,595

Net Book Values

At 31 May 2004	£ 380,254	£ 167,981	£ 548,235
At 31 May 2003	£ 387,478	£ 179,428	£ 566,906

Plant and machinery, etc.

Cost	Motor vehicles	Equipment fixtures and fittings	Plant and machinery	Total
At 1 June 2003	212,127	204,985	62,499	479,611
Additions	72,814	2,506	2,113	77,433
Disposals	(78,141)	-	-	(78,141)
At 31 May 2004	206,800	207,491	64,612	478,903

Depreciation

At 1 June 2003	79,378	166,513	54,292	300,183
Provided this year	36,400	5,961	1,280	43,641
Released on disposals	(32,902)	-	-	(32,902)
At 31 May 2004	82,876	172,474	55,572	310,922

Net Book Values

At 31 May 2004	£ 123,924	£ 35,017	£ 9,040	£ 167,981
At 31 May 2003	£ 132,749	£ 38,472	£ 8,207	£ 179,428

The net book value of fixed assets at 31 May 2004 includes £62,126 (2003 £69,636) in respect of assets leased under finance leases or under hire purchase contracts.

The depreciation charge for the year includes £16,538 (2003 £21,828) in respect of assets leased under finance leases or under hire purchase contracts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2004**

9. TANGIBLE FIXED ASSETS (Cont'd)**PARENT UNDERTAKING**

Cost	Freehold land and buildings	Total
At 1 June 2003	466,927	466,927
Additions	-	-
At 31 May 2004	466,927	466,927
Depreciation		
At 1 June 2003	79,449	79,449
Provided this year	7,224	7,224
At 31 May 2004	86,673	86,673
Net Book Values		
At 31 May 2004	£ 380,254	£ 380,254
At 31 May 2003	£ 387,478	£ 387,478

On 18 June 2001 Baz-Roll International Limited had its freehold land and buildings professionally valued by BBG Surveyors on behalf of Birmingham Midshires Commercial. The freehold land and buildings were valued at £410,000 as compared to their book value of £388,702. The directors have therefore left the freehold land and buildings stated at historical cost.

10. INVESTMENTS HELD AS FIXED ASSETS

	Company	
	2004	2003
Shares in subsidiary undertakings (unlisted) - at cost	£ 1,200	£ 1,200

Subsidiary undertakings:

Name of Company	Holding	Held	Nature of Business
Baz-Roll Products Limited	Ordinary shares	100.0%	Factors of material handling equipment
Skoots (Moving Systems) Limited	Ordinary shares	100.0%	Suppliers of material handling equipment

11. STOCK

	Group		Company	
	2004	2003	2004	2003
Raw materials	£ 637,353	£ 584,018	£ 27,206	£ -

12. DEBTORS

	Group		Company	
	2004	2003	2004	2003
Trade debtors	603,468	615,512	584,342	645,794
Other debtors	49,212	22,427	-	-
	£ 652,680	£ 637,939	£ 584,342	£ 645,794

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2004

	Group		Company	
	2004	2003	2004	2003
13. CREDITORS: Amounts falling due within one year				
Trade creditors	175,577	148,686	52,488	69,117
Amounts due to subsidiary undertakings	-	-	185,632	85,382
Corporation tax	73,350	40,810	16,750	19,500
Taxation and social security costs	63,603	63,060	15,770	20,614
Other creditors	395,153	482,186	303,600	364,941
Obligations under finance leases and hire purchase	20,774	30,104	-	-
	<u>£ 728,457</u>	<u>£ 764,846</u>	<u>£ 574,240</u>	<u>£ 559,554</u>

	Group		Company	
	2004	2003	2004	2003
14. CREDITORS: Amounts falling due after one year				
Other creditors	93,753	166,041	93,753	166,041
Obligations under finance leases and hire purchase	15,363	16,455	-	-
	<u>£ 109,116</u>	<u>£ 182,496</u>	<u>£ 93,753</u>	<u>£ 166,041</u>

On 21 July 2001 a loan of £308,000 was granted to the company by B.A. Malandrinos and £50,000 was granted by P.Malandrinos. Interest is being charged on the above loans at a rate of 2% above the minimum lending rate. Interest and capital payments are to be made in respect of these loans over the next two years resulting in them being repaid by July 2006.

	Group		Company	
	2004	2003	2004	2003
15. DEFERRED TAXATION				
Provision for deferred corporation tax in respect of accelerated capital allowances	<u>£ 2,900</u>	<u>£ 2,400</u>	<u>£ -</u>	<u>£ -</u>

16. SHARE CAPITAL Ordinary shares of £1 each**Authorised**

As previously stated

At 1 June 2002

Created on 1 May 2003

	100	100	100	100
	9,900	9,900	9,900	9,900
	<u>£ 10,000</u>	<u>£ 10,000</u>	<u>£ 10,000</u>	<u>£ 10,000</u>

Allotted, called-up and fully paid

As previously stated

At 1 June 2003

Capitalisation of reserves on 1 May 2003

share capital of Bazroll

Products Limited and

Skoots (Moving

Systems) Limited

	100	100		
			100	100
	400	400	400	400
	1,200	1,200	1,200	1,200
	<u>£ 1,700</u>	<u>£ 1,700</u>	<u>£ 1,700</u>	<u>£ 1,700</u>

BAZ-ROLL INTERNATIONAL LIMITED AND SUBSIDIARY COMPANIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2004**

	Group		Company	
	2004	2003	2004	2003
17. STATEMENT OF MOVEMENT ON RESERVES				
Profit and loss account				
At 1 June 2003	1,337,785	1,215,238	361,691	297,806
Capitalisation of reserves on 1 May 2003	-	(400)	-	(400)
Merger adjustment	-	(900)		
Profit retained for the year	262,132	123,847	64,175	64,285
At 31 May 2004	<u>£ 1,599,917</u>	<u>£ 1,337,785</u>	<u>£ 425,866</u>	<u>£ 361,691</u>

18. RELATED PARTY TRANSACTIONS

During the year Baz-Roll International Limited made sales totalling £908,386 (2003 £764,752) to Baz-Roll Products Limited a wholly owned subsidiary of the company. These transactions were entered into on an arms length basis.

An administration charge of £35,000(2003 £30,000) was payable by the company to Baz-Roll Products Limited.

19. ULTIMATE CONTROL

The company is under the control of B A Malandrinos, a director, who together with his wife holds 83% of the company's issued capital.