

MAINSTREAM FLEET LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30TH SEPTEMBER 1999

MACINTYRE HUDSON

Chartered Accountants & Registered Auditors
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1394 High Road
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MAINSTREAM FLEET LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH SEPTEMBER 1999

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MAINSTREAM FLEET LIMITED**AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 6, together with the financial statements of the company for the year ended 30th September 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 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 sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

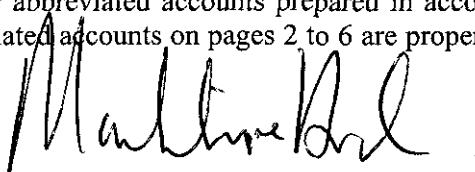
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

Euro House
1394 High Road
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N20 9YZ

19th May 2000



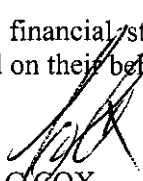
MACINTYRE HUDSON
Chartered Accountants
& Registered Auditors

MAINSTREAM FLEET LIMITED**ABBREVIATED BALANCE SHEET****30TH SEPTEMBER 1999**

	Note	1999 £	£	1998 £	£
FIXED ASSETS	1				
Tangible assets			179,849		91,973
CURRENT ASSETS					
Debtors		334,186		310,360	
Cash at bank and in hand		73,813		95,475	
		<u>407,999</u>		<u>405,835</u>	
CREDITORS: Amounts falling due within one year	2	<u>(645,994)</u>		<u>(415,655)</u>	
NET CURRENT LIABILITIES			(237,995)		(9,820)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(58,146)</u>		<u>82,153</u>
CREDITORS: Amounts falling due after more than one year	3		(73,222)		(82,765)
			<u>(131,368)</u>		<u>(612)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	4		100		100
Profit and loss account			(131,468)		(712)
DEFICIENCY			<u>(131,368)</u>		<u>(612)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

These financial statements were approved by the directors on the 10/5/00 2000, and are signed on their behalf by:


MR C G COX
Director

MAINSTREAM FLEET LIMITED

ACCOUNTING POLICIES

YEAR ENDED 30TH SEPTEMBER 1999

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

The financial statements have been prepared on a going concern basis because it is assumed that the company will continue in operational existence for the foreseeable future.

The company is dependent on the continued support of its holding company and other group companies, who were owed £442,285 by the company at the balance sheet date. All of which have signified their willingness to continue to support the company for the foreseeable future and the going concern basis is therefore considered to be appropriate.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 25% reducing balance
Motor Vehicles	- 33.3% on cost

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Pension costs

The company also operates a non-contributory pension scheme which is administered by trustees independent of the company's finances and is fully funded. Contributions are paid into the Scheme in accordance with the recommendations of independent actuaries. The contributions are charged against the profits in the year in which they are made and there were no outstanding or prepaid contributions at the balance sheet date.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

MAINSTREAM FLEET LIMITED

ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 30TH SEPTEMBER 1999

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.

MAINSTREAM FLEET LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 1999****1. FIXED ASSETS**

	Tangible Fixed Assets £
COST	
At 1st October 1998	125,789
Additions	140,248
At 30th September 1999	<u>266,037</u>
DEPRECIATION	
At 1st October 1998	33,816
Charge for year	52,372
At 30th September 1999	<u>86,188</u>
NET BOOK VALUE	
At 30th September 1999	179,849
At 30th September 1998	<u>91,973</u>

2. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1999 £	1998 £
Bank loans and overdrafts	<u>8,194</u>	<u>13,090</u>

3. CREDITORS: Amounts falling due after more than one year Included within creditors falling due after more than one year is an amount of £71,000 (1998 - £71,000) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

4. SHARE CAPITAL**Authorised share capital:**

	1999 £	1998 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

MAINSTREAM FLEET LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 1999****4. SHARE CAPITAL** *(continued)***Allotted, called up and fully paid:**

	1999 £	1998 £
Ordinary share capital brought forward	100	-
Issue of ordinary shares	-	100
	<u>100</u>	<u>100</u>

5. ULTIMATE PARENT COMPANY

In the opinion of the Directors the company's ultimate parent company is Trunkline Holdings Limited, a company registered in England.