

MAINSTREAM FLEET LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
30TH SEPTEMBER 2001



MACINTYRE HUDSON
Chartered Accountants & Registered Auditors
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1394 High Road
London
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MAINSTREAM FLEET LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2001

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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 2001 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

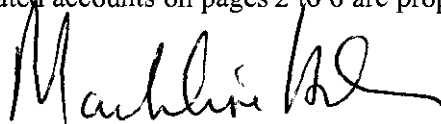
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did 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
London
N20 9YZ

14 May 2002



MACINTYRE HUDSON
Chartered Accountants
& Registered Auditors

MAINSTREAM FLEET LIMITED**ABBREVIATED BALANCE SHEET****30TH SEPTEMBER 2001**

	Note	2001 £	2000 £
FIXED ASSETS	1		
Tangible assets		217,487	131,451
CURRENT ASSETS			
Stocks		15,459	-
Debtors		665,541	399,328
Cash at bank and in hand		5,351	2,806
		<u>686,351</u>	<u>402,134</u>
CREDITORS: Amounts falling due within one year	2	<u>(820,924)</u>	<u>(512,880)</u>
NET CURRENT LIABILITIES		(134,573)	(110,746)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>82,914</u>	<u>20,705</u>
CREDITORS: Amounts falling due after more than one year	3	(71,000)	(71,000)
PROVISIONS FOR LIABILITIES AND CHARGES		(8,500)	(8,500)
		<u>3,414</u>	<u>(58,795)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	100	100
Profit and loss account		3,314	(58,895)
DEFICIENCY/DEFICIENCY		<u>3,414</u>	<u>(58,795)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 14 May 2002, and are signed on their behalf by:

MR C G COX
Director

MAINSTREAM FLEET LIMITED

ACCOUNTING POLICIES

YEAR ENDED 30TH SEPTEMBER 2001

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 2000).

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:

Leasehold Property	- 5% on cost
Plant & Machinery	- 25% reducing balance
Motor Vehicles	- 12.5% on cost

Stocks

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

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 on a straight line basis.

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 on a straight line basis, 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 on a straight line basis over the period of the lease.

MAINSTREAM FLEET LIMITED**ACCOUNTING POLICIES** *(CONTINUED)***YEAR ENDED 30TH SEPTEMBER 2001****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**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 2001****1. FIXED ASSETS**

	Tangible Fixed Assets £
COST	
At 1st October 2000	224,469
Additions	121,736
At 30th September 2001	<u>346,205</u>
DEPRECIATION	
At 1st October 2000	93,018
Charge for year	35,700
At 30th September 2001	<u>128,718</u>
NET BOOK VALUE	
At 30th September 2001	<u>217,487</u>
At 30th September 2000	<u>131,451</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:

	2001 £	2000 £
Bank loans and overdrafts	<u>49,402</u>	<u>65,442</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 (2000 - £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:**

	2001 £	2000 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital	<u>100</u>	<u>100</u>

MAINSTREAM FLEET LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 2001****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.

6. RELATED PARTY TRANSACTIONS

The company was, through its parent company, under the control of the Trustees of the Christopher George Cox Discretionary Settlement of 29th June 1997, throughout the period. The Settlement has an interest in 75% of the parents company's issued share capital.

During the period, the company traded with fellow subsidiaries as follows:-

	Trunkline Recovery Limited	Settlements Fulfilled Limited	Slide & Tilt Limited	21st Century Vision Limited
	£	£	£	£
Management charges	(30,000)			80,000
Vehicle hire charges	346,653			
Vehicle expenses recovered		(78,663)		
Labour charges		482,163		
Leasehold improvements				100,000

During the period the company invoiced 21st Century Transactions Limited and Daewoo Truck (UK) Limited both fellow subsidiaries, £16,363 and £29,818 respectively for services provided, both of which remained unpaid at the balance sheet date.

An amount of £8,983 is due from Slide and Tilt Recovery Systems Limited, a company in which Mr Christopher G Cox a director of Mainstream Fleet Limited, owns 51% of the issued share capital. All transactions were carried out at arms length.