

EAGLE COURIERS (SCOTLAND) LIMITED

REPORT AND ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 1997

EAGLE COURIERS (SCOTLAND) LIMITED**YEAR ENDED 31 MAY 1997****AUDITORS' REPORT TO EAGLE COURIERS (SCOTLAND) LIMITED PURSUANT TO SECTION 247B TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of Eagle Couriers (Scotland) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 May 1997.

Respective responsibilities of directors and auditors

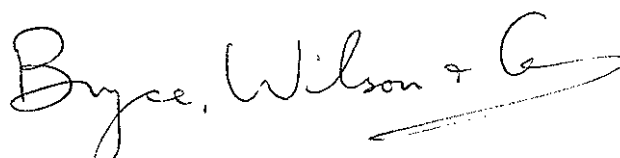
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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 to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 prepare accounts in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 May 1997, and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with those provisions.



BRYCE, WILSON & CO,
Chartered Accountants and Registered Auditors

EDINBURGH**19 December 1997**

EAGLE COURIERS (SCOTLAND) LIMITED

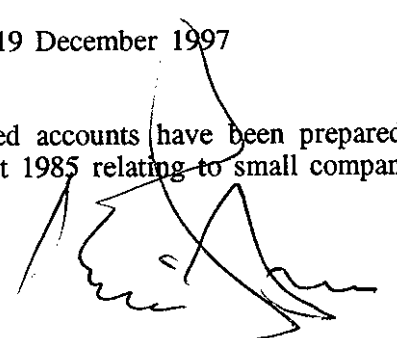
BALANCE SHEET

AS AT 31 MAY 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible assets	2	92,322	93,491
Investment	3	500	500
		<u>92,822</u>	<u>93,991</u>
CURRENT ASSETS			
Debtors		374,216	284,854
Cash in hand		785	1,011
		<u>375,001</u>	<u>285,865</u>
CREDITORS			
Amounts falling due within one year		<u>328,854</u>	<u>207,804</u>
NET CURRENT ASSETS		<u>46,147</u>	<u>78,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>138,969</u>	<u>172,052</u>
CREDITORS - Amounts falling due after more than one year	4	<u>6,096</u>	<u>7,092</u>
NET ASSETS		<u>£ 132,873</u>	<u>£ 164,960</u>
CAPITAL AND RESERVES			
Called up share capital	5	60,000	60,000
Profit and Loss Account		72,873	104,960
SHAREHOLDERS' FUNDS		<u>£ 132,873</u>	<u>£ 164,960</u>

Approved on 19 December 1997

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



DAVID B BENNETT

Director

EAGLE COURIERS (SCOTLAND) LIMITED
 NOTES ON THE ABBREVIATED ACCOUNTS
 YEAR ENDED 31 MAY 1997

1. ACCOUNTING POLICIES

(1) Basis of preparation of financial statements

The accounts are prepared under the historical cost convention and include the results of the operations of the company, all of which are continuing.

(2) Depreciation of fixed assets

The provision for depreciation is calculated to write off the cost of the tangible fixed assets by equal annual instalments over the period of their estimated useful lives at the following rates:-

Motor vehicles	25%
Equipment and fittings	15%
Computer equipment	33.3%

Expenditure on leasehold property is written off by equal annual instalments over the remaining period of the lease.

2. FIXED ASSETS - Tangible assets

		<u>Leasehold Property</u>	<u>Motor Vehicles</u>	<u>Equipment & Fittings</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost:	At 31 May 1996	26,641	75,099	122,687	224,427
	Additions	2,919	2,830	34,415	40,164
	(Disposals)	-	(12,700)	-	(12,700)
	At 31 May 1997	<u>29,560</u>	<u>65,229</u>	<u>157,102</u>	<u>251,891</u>
Aggregate depreciation:					
	At 31 May 1996	15,224	36,556	79,156	130,936
	Charge for year	4,223	14,081	20,817	39,121
	(On disposals)	-	(10,488)	-	(10,488)
	At 31 May 1997	<u>19,447</u>	<u>40,149</u>	<u>99,973</u>	<u>159,569</u>
Book value:					
	At 31 May 1997	<u>£ 10,113</u>	<u>£ 25,080</u>	<u>£ 57,129</u>	<u>£ 92,322</u>

EAGLE COURIERS (SCOTLAND) LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS (Continued)

YEAR ENDED 31 MAY 1997

3. FIXED ASSETS - Investment

The investment consists of the cost of a 10% holding in the issued ordinary share capital of Quantum Logistics Limited, an unquoted company registered in England (1996 - same).

4. CREDITORS (Due after more than one year)

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Instalments due (all within five years)		
on hire purchase agreements	14,889	22,875
<u>Less:</u> Instalments due within one year	<u>8,793</u>	<u>15,783</u>
	£ <u>6,096</u>	£ <u>7,092</u>

5. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
Authorised, issued and fully paid:		
60,000 ordinary shares of £1 each	£ <u>60,000</u>	£ <u>60,000</u>