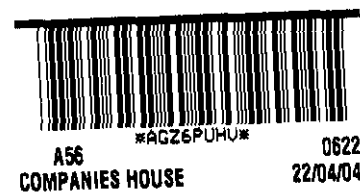


Storetec Limited

Financial statements

For the period from 10 July 2002 to 30 June 2003



Company No. 04482136

Company information

Company registration number	04482136
Registered office	Cromwell House 1-3 Fitzalan Place Cardiff CF24 0ED
Directors	A Barber B Crossan
Secretary	I G Griffith
Bankers	Barclays Bank plc Corporate Banking Centre Windsor Court 3 Windsor Place Cardiff
Solicitors	McTaggart Solicitors 24 St Andrews Crescent Cardiff CF10 3DD
Auditors	Grant Thornton Chartered Accountants Registered Auditors Barnes Wallis Road Segensworth Hampshire PO15 5GT

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Report of the directors

The directors present their report and the financial statements of the company for the period from 10 July 2002 to 30 June 2003.

Principal activities and business review

The company was incorporated on 10 July 2002 and commenced trading the same day. The principal activity of the company during the year was sub-contract services to the supermarket industry.

There was a profit for the year after taxation of £20,171.
The directors do not recommend payment of a dividend.

The directors and their interests in shares of the company

The directors who served the company during the period together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At	At
	30 June 2003	10 July 2002 or later date of appointment
A Barber	125	—
B Crossan	125	—
	<u>250</u>	<u>—</u>

A Barber was appointed as a director on 10 July 2002.
B Crossan was appointed as a director on 10 July 2002.

Directors' responsibilities

Company law in the United Kingdom 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 at the end of the period and of the profit or loss for the period then ended. 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

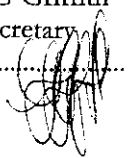
Grant Thornton were appointed auditors on 1 October 2003 to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985. Special notice pursuant to section 388(3) having been given, a resolution to reappoint Grant Thornton as auditors will be proposed at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

I G Griffith
Secretary

.....


13 April 2004

Report of the independent auditors to the members of Storetec Limited

We have audited the financial statements of Storetec Limited for the period from 10 July 2002 to 30 June 2003 on pages 8 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

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 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 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

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 3.

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 other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 as at 30 June 2003 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

13 April 2004

Principal accounting policies

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 June 2002).

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

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 Improvements	-	25%
Plant & Machinery	-	25%
Equipment	-	25%

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.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax is measured using rates of tax that have been enacted or substantially enacted by the balance sheet date. likely that

Profit and loss account

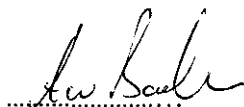
		Period from 10 Jul 02 to 30 Jun 03
	Note	£
Turnover		196,225
Cost of sales		70,781
Gross profit		125,444
Other operating charges	1	98,985
Profit on ordinary activities before taxation		26,459
Tax on profit on ordinary activities	4	6,288
Retained profit for the financial period		20,171

Balance sheet

	Note	2003 £
Fixed assets		
Tangible assets	5	47,119
Current assets		
Debtors	6	168,748
Cash in hand		255
		<u>169,003</u>
Creditors: amounts falling due within one year	7	194,673
Net current liabilities		<u>(25,670)</u>
Total assets less current liabilities		<u>21,449</u>
Provisions for liabilities and charges		
Deferred taxation	8	278
		<u>21,171</u>
Capital and reserves		
Called-up equity share capital	12	1,000
Profit and loss account	13	20,171
Shareholders' funds		<u>21,171</u>

These financial statements 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 June 2002).

These financial statements were approved by the directors on 13/4/04 and are signed on their behalf by:



A Barber

Notes to the financial statements

1 Other operating income and charges

	Period from 10 Jul 02 to 30 Jun 03 £
Administrative expenses	<u>98,985</u>

2 Operating profit

Operating profit is stated after charging:

	Period from 10 Jul 02 to 30 Jun 03 £
Directors' emoluments	11,434
Depreciation of owned fixed assets	6,980
Auditors' fees	<u>2,750</u>

3 Directors

Remuneration in respect of directors was as follows:

	Period from 10 Jul 02 to 30 Jun 03 £
Emoluments	<u>71,018</u>

4 Taxation on ordinary activities

(a) Analysis of charge in the period

	Period from 10 Jul 02 to 30 Jun 03 £
Current tax:	
In respect of the period:	
UK Corporation tax based on the results for the period at 19%	6,010
Total current tax	<u>6,010</u>
Deferred tax:	
Increase in deferred tax provision	278
Tax on profit on ordinary activities	<u>6,288</u>

5 Tangible fixed assets

	Leasehold Improvements £	Plant & Machinery £	Equipment £	Total £
Cost				
Additions	40,240	7,201	6,658	54,099
At 30 June 2003	<u>40,240</u>	<u>7,201</u>	<u>6,658</u>	<u>54,099</u>
Depreciation				
Charge for the period	4,535	1,154	1,291	6,980
At 30 June 2003	<u>4,535</u>	<u>1,154</u>	<u>1,291</u>	<u>6,980</u>
Net book value				
At 30 June 2003	<u>35,705</u>	<u>6,047</u>	<u>5,367</u>	<u>47,119</u>

6 Debtors

	30 Jun 03
	£
Trade debtors	44,711
Amounts owed by group undertakings	102,661
Called up share capital not paid	250
Other debtors	21,126
	<u>168,748</u>

7 Creditors: amounts falling due within one year

	30 Jun 03
	£
Bank loans and overdrafts	120,862
Trade creditors	36,141
Amounts owed to group undertakings	15,985
Corporation tax	6,010
Other taxation and social security	10,410
Other creditors	5,265
	<u>194,673</u>

The bank overdraft is secured by a fixed and floating charge over all the Company's assets.

8 Deferred taxation

	Period from 10 Jul 02 to 30 Jun 03 £
The movement in the deferred taxation provision during the period was:	
Profit and loss account movement arising during the period	278
Provision carried forward	<u>278</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	30 Jun 03 £
Undiscounted provision for deferred taxation	-
Deferred Tax Discount/First Other Provision	278
Discounted provision for deferred taxation	<u>278</u>

9 Leasing commitments

At 30 June 2003 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	30 Jun 03 £
Operating leases which expire:	
Within 2 to 5 years	<u>38,441</u>

10 Contingent liabilities

There were contingent liabilities at 30 June 2003 in respect of a cross guarantee under the composite accounting system on the loans of S H Holdings Limited for £248,577, the overdraft of Symonds Trolley Services Limited for £50,262, the overdraft of Vehicle Exports Limited for £44,770 and the credit balance of Hydroclean Retail Maintenance Limited for £112,833.

11 Related party transactions

During the year sales of £86,836 and purchases of £108,722 were made on a normal commercial basis with related parties. These companies are related by virtue of common directors. The amounts owing to and from these companies are shown in notes 5 and 6.

12 Share capital

Authorised share capital:		30 Jun 03
		£
1,000 Ordinary shares of £1 each		<u>1,000</u>
Allotted and called up:		
	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

The amounts of paid-up share capital for the following category of shares differed from the called-up share capital stated above due to unpaid calls and were as follows:

	30 Jun 03
	£
Ordinary shares	<u>250</u>

Upon incorporation £1,000 £1 ordinary shares were issued on 10 July 2002. The consideration received did not exceed the nominal value of the shares issued.

13 Profit and loss account

	Period from 10 Jul 02 to 30 Jun 03
	£
Retained profit for the financial period	<u>20,171</u>
Balance carried forward	<u>20,171</u>

14 Pensions

The company has not operated, or contributed to any pension scheme on behalf of its employees.

15 Capital commitments

The directors have confirmed that there were no capital commitments at 30 June 2003.

16 Ultimate parent company

The directors consider that the company's ultimate parent undertaking and controlling relating party is its parent company S H Holdings Limited, incorporated in England and Wales.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by S H Holdings Limited, incorporated in England and Wales.