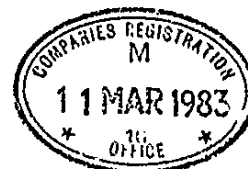


CANTAY LIMITED

Consolidated Financial Statements
for the Year Ended 30 June 1981

Contents

1. Auditors' Report.
2. & 3. Directors' Report.
4. Consolidated Profit and Loss Account.
5. & 6. Notes on the Consolidated Profit and Loss Account.
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13. Statement of Source and Application of Funds.



CANTAY LIMITED

Report of the Auditors to the Members of Cantay Limited

We have audited the financial statements on pages 4 to 13 in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraphs.

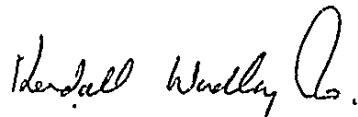
In common with many businesses of similar size and organisation the company's system of control is dependent upon the close involvement of the directors. Where independent confirmation of the completeness of the accountancy records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

The company has not complied with the Statement of Standard Accounting Practice No. 12 concerning depreciation of freehold buildings and in view of the directors' policy of maintaining these properties in good condition we agree with this non-compliance.

Subject to the foregoing, in our opinion the financial statements, which have been prepared as in previous years under the historical cost convention give a true and fair view of the state of the company's affairs at 30 June 1981 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1980.

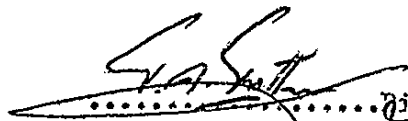
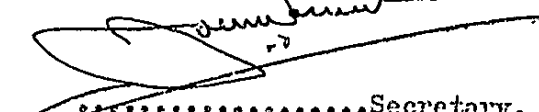
Granta Lodge,
MALVERN.

26th October 1981


KENDALL, WADLEY & CO.

Chartered Accountants

We certify that there is annexed hereto a true copy of every Balance Sheet laid before the Company in General Meeting during the period to which this return relates (including every document required by law to be annexed to the Balance Sheet) and a true copy of the report of the Auditors on, and of the report of the Directors accompanying, each such Balance Sheet.


.....Director.

.....Secretary.

CANTAY LIMITED

Report of the Directors

1. The Directors of Cantay Limited have pleasure in submitting their Report and Financial Statements for the year ended 30th June 1981.

2. Profits.

| | | |
|---|----------|--------------|
| Trading Profit | | 43575 |
| <u>Less: Pension Fund Contribution</u> | | <u>15000</u> |
| | | 28575 |
| Undistributed Balance of Profit brought forward | | <u>60993</u> |
| | | 89568 |
| Balance brought forward on Subsidiary Companies (including General Reserve of £5278) | | <u>16309</u> |
| | | 105877 |
| Taxation | (Note 6) | <u>11500</u> |
| | | 94377 |
| Extraordinary Item | (Note 7) | <u>35676</u> |
| | | 130053 |
| The Directors recommend a dividend of 19p per share. | | <u>12842</u> |
| | | £ 117211 |
| | | ===== |
| Retained in Subsidiaries | | £ 16309 |
| | | ===== |
| Retained in Accounts of Cantay Limited. | | £ 100902 |
| | | ===== |

3. Group Sales and Other Income. - (excluding Occupancy Charges made to trading units and a subsidiary Company) were £1060016 (1980 £906694)

4. Principal Activities

The Company is a holding company for trading units whose principal activities are those of Removals and Storage and overseas Packing and Shipping.

5. Proposed Dividends

As indicated in 2. above, the Directors recommend the payment of a dividend of 19p. per share (1980 19p.). In accordance with the Articles of Association the dividend is restricted to the holdings of Members other than Directors and Executive Directors, that holding numbering 67588 shares.

CANTAY LIMITED

Report of the Directors continued.

6. Fixed Assets

Details of the movements of fixed assets are shown in the Notes annexed to the Balance Sheet. In the opinion of the Directors the market value of freehold properties is considerably in excess of net book values.

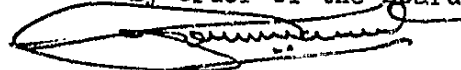
7. Directors

The names of the Directors at 30th June 1981 and the details of the interest of each Director and his family in the shares of the Company were:

| | <u>30th June 1981</u> | <u>30th June 1980</u> |
|----------------------------|-----------------------|-----------------------|
| Group Captain T.A. Trotter | 10434 | 9231 |
| Mr J.K. Darch | 12000 | 12000 |
| Mr J.N. Tarsey | 5 | 5 |
| Mr D.J. Trotter | 47590 | 47590 |
| Mr P. Sergeant | 7200 | 7200 |
| Mr D.W. Horton | 20350 | 20350 |

8. The Group made no political or charitable contributions in the year.

By Order of the Board


J.K. Darch, Secretary

The Old Kiln,
Crondall Lane,
Farnham,

26th October 1981.

CANTAY LIMITED

Consolidated Profit and Loss Account
for the Year Ended 30th June 1981.

| | <u>Notes</u> | <u>1981</u> | <u>1980</u> |
|---|--------------|-------------------|------------------|
| Turnover of Group | | 1060016 ===== | 906694 ===== |
| Group Trading Profit | A | 28575 | 25335 |
| Taxation | B | 11500 | 914 |
| Profit after Taxation | | 17075 | 24421 |
| Extraordinary Item | C | 35676 | - |
| | | 52751 | 24421 |
| Retained Profits brought forward | | 60993 | 49231 |
| | | 113744 | 73652 |
| Proposed Dividend | D | 12842 | 12659 |
| Balance carried forward on Parent Company | | 100902 | 60993 |
| Subsidiary Companies - Balance carried forward | | 11031 | 11031 |
| Balance of Retained Profits in the Consolidated Balance Sheet | | £ 111933 ===== | £ 72024 ===== |

CANTAY LIMITED

Notes on the Consolidated Profit and Loss Account

| | <u>1981</u> | <u>1980</u> |
|---|-------------|-------------|
| A. Group Trading Profit is stated after charging the following: | | |
| Depreciation | 9987 | 6699 |
| Amortisation of Leasehold Improvements | 2094 | 5071 |
| Bank Interest | 12076 | 11364 |
| Medium Term Interest | - | 1219 |
| Debenture Interest | 6250 | 6250 |
| Auditors' Remuneration | 3001 | 2717 |
| Hire of Plant etc. (Vehicles) | 45271 | 37609 |
| Remuneration of Directors | | |
| Fees | 3600 | 3000 |
| Other Emoluments | 48967 | 47754 |
| | ===== | ===== |
| and after crediting: | | |
| Interest Receivable | 94 | 150 |
| Warehouse and Other Rents receivable, (less Outgoings) | 67880 | 51651 |
| | ===== | ===== |
| <u>Directors' Remuneration</u> | | |
| Chairman | £ 9000 | £ 10100 |
| | ===== | ===== |
| The highest paid Director | £ 16500 | £ 18700 |
| | ===== | ===== |
| Other Directors | | |
| Under £ 5000 | 2 | 2 |
| £5001 - £10000 | - | 1 |
| £10000 - £15000 | 2 | 1 |
| B. Taxation | | |
| i) Provision for Corporation Tax for the current year at 40% | 3150 | 1014 |
| Prior Year Adjustment | - | (100) |
| Deferred Taxation | 8350 | - |
| | ----- | ----- |
| | £ 11500 | £ 914 |
| | ===== | ===== |

CANTAY LIMITED

Notes on the Consolidated Profit and Loss Account Continued.

- ii) Advance Corporation Tax in respect of previous years has been carried forward as recoverable against future liabilities.

C. Extraordinary Item

| | |
|--|-------|
| Profit on Sale of Freehold Property | 46376 |
| <u>Less:</u> Corporation Tax (deferred by rollover relief) | 10700 |
| | <hr/> |
| | 35676 |
| | ===== |

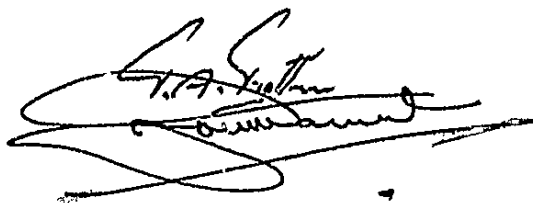
D. Proposed Dividend

In accordance with the Articles of Association the Directors receive no dividend on their own or their wives' holdings of Ordinary Shares. The provision represents a dividend of 19p. on 67588 shares.

CANTAY LIMITED

Balance Sheets at 30th June 1981

| | <u>Notes</u> | <u>Company</u> | | <u>Group</u> | |
|---|--------------|------------------|------------------|------------------|------------------|
| | | <u>30th June</u> | <u>30th June</u> | <u>30th June</u> | <u>30th June</u> |
| | | <u>1981</u> | <u>1980</u> | <u>1981</u> | <u>1980</u> |
| Fixed Assets | 1. | 499461 | 495663 | 631157 | 609541 |
| Subsidiaries | 2. | 89066 | 73820 | - | - |
| Current Assets | 3. | 20796 | 16101 | 144970 | 126896 |
| Deferred Asset | 4. | 23384 | 21025 | 23384 | 21025 |
| | | 632707 | 606609 | 799511 | 757462 |
| Less: | | | | | |
| Current Liabilities | 5. | 164074 | 172357 | 226542 | 218874 |
| | | £ 468633 | 434252 | £ 572969 | 538588 |
| ===== | | | | | |
| Financed by: | | | | | |
| Share Capital | 6. | 189642 | 189642 | 189642 | 189642 |
| Reserves and Undistri- buted Profits | 7. | 139441 | 124110 | 243777 | 228446 |
| Deferred Taxation Reserve | 8. | 77050 | 58000 | 77050 | 58000 |
| Loan Capital | 9. | 62500 | 62500 | 62500 | 62500 |
| | | £ 468633 | 434252 | £ 572969 | 538588 |
| ===== | | | | | |



DIRECTORS

CANTAY LIMITED

Notes on the Balance Sheets

1. Fixed Assets

Company
30th June 1981

| | <u>Cost or</u> <u>Valuation</u> | <u>Depreciation</u> | <u>Net Book</u> <u>Value</u> | <u>Net Book</u> <u>Value</u> <u>30.6.80.</u> |
|------------------------|------------------------------------|---------------------|---------------------------------|--|
| Freehold Property | | | | |
| Cost | 472281 | - | 472281 | 444162 |
| Valuation at 30.6.72. | - | - | - | 35000 |
| Leasehold Property | 27961 | 19588 | 8373 | 7402 |
| Vehicles | 16847 | 4365 | 12482 | 2799 |
| Plant, Equipment, etc. | 9412 | 3087 | 6325 | 6300 |
| | <hr/> | | | |
| £ 526501 | 27040 | 499461 | 495663 | |
| | <hr/> | | | |

Group
30th June 1981

| | <u>Cost or</u> <u>Valuation</u> | <u>Depreciation</u> | <u>Net Book</u> <u>Value</u> | <u>Net Book</u> <u>Value</u> <u>30.6.80.</u> |
|------------------------|------------------------------------|---------------------|---------------------------------|--|
| Freehold Property | | | | |
| Cost | 524230 | - | 524230 | 495056 |
| Valuation at 30.6.72. | - | - | - | 35000 |
| Leasehold Property | 27961 | 19588 | 8373 | 7402 |
| Vehicles | 16847 | 4365 | 12482 | 2799 |
| Plant, Equipment, etc. | 126158 | 40086 | 86072 | 69284 |
| | <hr/> | | | |
| £ 695196 | 64039 | 631157 | 609542 | |
| | <hr/> | | | |

Company

| | <u>Additions</u> <u>at Cost</u> | <u>Disposals</u> <u>at Cost or</u> <u>Valuation</u> |
|------------------------|------------------------------------|---|
| Freehold Property | 37124 | 44005 |
| Leasehold Property | 3065 | - |
| Vehicles | 12933 | 5505 |
| Plant, Equipment, etc. | 721 | - |
| | <hr/> | |
| £ 53843 | £ 49510 | |
| | <hr/> | |

CANTAY LIMITED

Notes on the Balance Sheets continued.

| | <u>Group</u> | |
|------------------------|------------------|-------------------|
| | <u>Additions</u> | <u>Disposals</u> |
| | <u>at Cost</u> | <u>at Cost or</u> |
| | | <u>Valuation</u> |
| Freehold Property | 38179 | 44005 |
| Leasehold Property | 3065 | - |
| Vehicles | 12933 | 5505 |
| Plant, Equipment, etc. | 25479 | 1177 |
| | | |
| | £ 79656 | £ 50687 |
| | ===== | ===== |

Future Capital Expenditure £20000 (1980 £20000)

2. Subsidiaries

| | <u>Company</u> | |
|--|----------------|-------------|
| | <u>1981</u> | <u>1980</u> |
| Shares etc. at Cost | 267031 | 267031 |
| Amounts due on loan and current accounts | 253552 | 238306 |
| | | |
| | 520583 | 505337 |
| Less: | | |
| Amounts owing on loan and current accounts | 431517 | 431517 |
| | | |
| | £ 89066 | £ 73820 |
| | ===== | ===== |

3. Current Assets

| | <u>Company</u> | | <u>Group</u> | |
|-------------------------|----------------|-------------|--------------|-------------|
| | <u>1981</u> | <u>1980</u> | <u>1981</u> | <u>1980</u> |
| Stocks | - | - | 17680 | 20653 |
| Debtors and Prepayments | 20790 | 16096 | 126484 | 105488 |
| Cash Balances | 6 | 5 | 806 | 755 |
| | | | | |
| | £ 20796 | 16101 | £ 144970 | 126896 |
| | ===== | ===== | ===== | ===== |

CANTAY LIMITED

Notes on the Balance Sheets continued.

4. Deferred Assets

| | <u>Company</u> | | <u>Group</u> | |
|--------------------------|----------------|-------------|--------------|-------------|
| | <u>1981</u> | <u>1980</u> | <u>1981</u> | <u>1980</u> |
| Advanced Corporation Tax | £ 23384 | £ 21025 | £ 23384 | £ 21025 |
| | ===== | ===== | ===== | ===== |

5. Current Liabilities

| | <u>Company</u> | | <u>Group</u> | |
|---------------------------------------|----------------|-------------|--------------|-------------|
| | <u>1981</u> | <u>1980</u> | <u>1981</u> | <u>1980</u> |
| Trade and Other Creditors | 46621 | 45874 | 144689 | 112416 |
| Bank Overdraft | 98087 | 106919 | 62487 | 86894 |
| Proposed Dividends | 12842 | 12985 | 12842 | 12985 |
| Provision for Corporation Tax | 1020 | 1014 | 1020 | 1014 |
| Provision for Advance Corporation Tax | 5504 | 5565 | 5504 | 5565 |
| | <hr/> | | <hr/> | |
| | £ 164074 | 172357 | £ 226542 | 218874 |
| | ===== | | ===== | |

Bank borrowing is secured by charges on certain Companies' Freehold Properties.

6. Share Capital

| | <u>Authorised</u> | | <u>Issued and Fully Paid</u> | |
|----------------------------|-------------------|-------------|------------------------------|-------------|
| | <u>1981</u> | <u>1980</u> | <u>1981</u> | <u>1980</u> |
| Ordinary Shares of £1 each | £ 200000 | 200000 | 189642 | 189642 |
| | ===== | | | |

7. Reserves and Undistributed Profits

| | <u>Company</u> | | | <u>Total</u> |
|--|--------------------------|----------------------------|----------------------------|--------------|
| | <u>Share Premium</u> | <u>Capital Reserve</u> | <u>Revenue Reserve</u> | |
| As at 30th June 1980 | 3480 | 59277 | 60993 | 124110 |
| Surplus on Revaluation of Property now sold | - | (24578) | - | (24578) |
| Retained Profits after provision for Dividends and Taxation | - | - | 39909 | 39909 |
| | <hr/> | | | <hr/> |
| | £ 3840 | 34699 | 100902 | 139441 |
| | ===== | | | |

CANTAY LIMITED

Notes on the Balance Sheets continued

| | <u>Group</u> | | |
|--|--------------------------|----------------------------|----------------------------|
| | <u>Share Premium</u> | <u>Capital Reserve</u> | <u>Revenue Reserve</u> |
| As at 30th June 1980 | 3840 | 147304 | 77302 |
| Surplus on Revaluation of Property now sold | - | (24578) | - |
| Retained Profits after provision for Dividends and Taxation | - | - | 39909 |
| | <hr/> | <hr/> | <hr/> |
| | £ 3840 | 122726 | 117211 |
| | <hr/> | | |
| | | | 243777 |
| | <hr/> | | |

8. Deferred Taxation Reserve

| | <u>Company and Group</u> | |
|---------------------------|--------------------------|-------------|
| | <u>1981</u> | <u>1980</u> |
| Capital Gains Rolled Over | 54700 | 44000 |
| Tax Equalisation Account | 22350 | 14000 |
| | <hr/> | <hr/> |
| | £ 77050 | £ 58000 |
| | <hr/> | <hr/> |

9. Loan Capital

| | <u>Company and Group</u> | |
|------------------------------|--------------------------|-------------|
| | <u>1981</u> | <u>1980</u> |
| 10% 'A' Debenture Stock 1991 | 31250 | 31250 |
| 10% 'B' Debenture Stock 1991 | 31250 | 31250 |
| | <hr/> | <hr/> |
| | £ 62500 | £ 62500 |
| | <hr/> | <hr/> |

Both Debenture Stocks are redeemable at par on 30th June 1991. The 'A' Stock is redeemable all or in part before that date at the company's option. The 'B' Stock is also redeemable before that date with the written consent of the holders.

10. Accounting Policies

- a) Historical Cost Convention.
These financial statements are prepared under the historical cost convention.
- b) Depreciation.
The fixed assets are depreciated over their estimated useful lives as follows:

| | |
|--------------------------------------|---|
| Improvements to Leasehold Properties | Period of Lease. |
| Plant and Machinery | Rates varying from 7% per annum on cost to 15% per annum on written down book values. |
| Motor Vehicles | 25% per annum on written down book values. |

CANTAY LIMITED

Notes on the Balance Sheets continued

10. c) Stocks

Stocks have been valued at the lower of cost and net realisable value.

d) Deferred Taxation

Deferred Taxation is accounted for on all timing differences, mainly in respect of accelerated capital allowances and capital gains rolled over.

CANTAY LIMITED

Statement of Source and Application of Funds

| | <u>1981</u> | <u>1980</u> |
|--|-------------|-------------|
| <u>Source of Funds</u> | | |
| Profit before Tax | 28575 | 25335 |
| Adjustments for items not involving the movement of funds: | | |
| Depreciation and Amortisation | 12081 | 12570 |
| Profit on Sale of Fixed Assets | - | (885) |
| | <hr/> | <hr/> |
| <u>Total Generated from Operations</u> | 40656 | 37020 |
| <u>Other Funds Generated</u> | | |
| Proceeds of Sale of Fixed Assets | 67757 | 3691 |
| Issue of Shares | - | 3360 |
| | <hr/> | <hr/> |
| | 108413 | 44071 |
| | <hr/> | <hr/> |
| <u>Application of Funds</u> | | |
| <u>Internal Applications</u> | | |
| Increase/(Decrease) in Stocks | (2973) | 8121 |
| Increase/(Decrease) in Debtors | 20996 | (6228) |
| | <hr/> | <hr/> |
| | 18023 | 1893 |
| (Increase)/Decrease in Creditors | (32273) | (19843) |
| | <hr/> | <hr/> |
| <u>Increase/(Decrease) in Working Capital</u> | (14250) | (17950) |
| <u>External Applications</u> | | |
| Purchase of Fixed Assets | 79656 | 47051 |
| Dividends Paid | 12985 | 10978 |
| Tax Paid | 5564 | 4705 |
| Medium Term Loan Repayments | - | 31250 |
| | <hr/> | <hr/> |
| | 83955 | 76034 |
| | <hr/> | <hr/> |
| <u>Increase/(Decrease) in Net Liquid Funds during the Year</u> | | |
| Increase/(Decrease) in Bank Balances | 24407 | (32019) |
| Increase/(Decrease) in Cash Balances | 51 | 56 |
| | <hr/> | <hr/> |
| | £ 24458 | £ (31963) |
| | ===== | ===== |