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LOGITRANS UK LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2000**

Company No. 3198798 (England and Wales)



WHITBY RANDALL & CO.
CHARTERED ACCOUNTANTS

**2 Victoria Road
Harpenden
Herts.
AL5 4EA**

LOGITRANS UK LIMITED

Company Information

| | |
|--------------------------|---|
| Directors | A. R. Dollimore E. Pedersen |
| Secretary | Mrs. B. Poulsen |
| Company Number | 3198798 (England and Wales) |
| Registered Office | Unit 3B, Portland Estate, Hitchin Road Arlesey Beds. SG15 6SG |
| Auditors | Whitby Randall & Co. Registered Auditors and Chartered Accountants 2 Victoria Road Harpenden Herts. AL5 4EA |

LOGITRANS UK LIMITED

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The following page does not form part of the statutory accounts:

| | |
|-------------------------------------|---|
| Trading and profit and loss account | 8 |
|-------------------------------------|---|

LOGITRANS UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30th JUNE 2000

The directors present their report and financial statements for the year ended 30th June 2000.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law 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 and of the profit or loss of the company for that period. 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company's principal activity continues to be that of marketing light material handling equipment.

DIRECTORS

The directors at 30th June 2000 and their interests in the share capital of the company were as follows:

| | Number of shares | |
|-----------------|---|--|
| | <u>30th June 2000</u> | <u>1st July 1999</u> |
| A. R. Dollimore | - | - |
| E. Pedersen | - | - |

AUDITORS

The auditors, Messrs. Whitby Randall & Co., will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY RULES

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

This report was approved by the board on 11th September 2000 and signed on its behalf.



MRS. B. POULSEN
Company Secretary

LOGITRANS UK LIMITED

AUDITORS' REPORT TO THE MEMBERS OF LOGITRANS UK LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 the company's affairs as at 30th June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



WHITBY RANDALL & CO.
Registered Auditors
and Chartered Accountants
2 Victoria Road
Harpenden
Herts.
AL5 4EA

Date:

11th September 2000.

LOGITRANS UK LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30th JUNE 2000

| | <u>Notes</u> | <u>2000</u> | <u>1999</u> |
|---|--------------|-------------|-------------|
| | | £ | £ |
| Turnover | 1, 2 | 897,569 | 684,640 |
| Cost of sales | | (641,185) | (508,883) |
| | | <hr/> | <hr/> |
| Gross profit | | 256,384 | 175,757 |
| Selling and distribution costs | | (80,913) | (74,672) |
| Administrative expenses | | (131,702) | (130,060) |
| | | <hr/> | <hr/> |
| Operating profit/(loss) | 3 | 43,769 | (28,975) |
| Profit on disposal of tangible fixed assets | | 1,019 | - |
| | | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities before interest | | 44,788 | (28,975) |
| Interest payable | | (6,209) | (5,894) |
| | | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities before taxation | | 38,579 | (34,869) |
| Taxation on profit/(loss) on ordinary activities | 4 | - | - |
| | | <hr/> | <hr/> |
| Retained profit/(loss) for the year | | 38,579 | (34,869) |
| Retained (loss) brought forward | | (61,943) | (27,074) |
| | | <hr/> | <hr/> |
| Retained (loss) carried forward | | £(23,364) | £(61,943) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 5 to 7 form part of these financial statements.

LOGITRANS UK LIMITED

**BALANCE SHEET
AS AT 30th JUNE 2000**

| | <u>Notes</u> | <u>2000</u> | <u>1999</u> |
|---|--------------|----------------|----------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 5 | 6,755 | 9,763 |
| Current assets | | | |
| Stocks | | 105,721 | 97,952 |
| Debtors | 6 | 245,395 | 130,646 |
| Cash at bank and in hand | | 31,636 | 92,286 |
| | | <u>382,752</u> | <u>320,884</u> |
| Creditors: amounts falling due within one year | 7 | (412,869) | (392,588) |
| | | <u></u> | <u></u> |
| Net current (liabilities) | | (30,117) | (71,704) |
| | | <u></u> | <u></u> |
| Total assets less current liabilities | | £(23,362) | £(61,941) |
| | | <u></u> | <u></u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 2 | 2 |
| Profit and loss account | | (23,364) | (61,943) |
| | | <u></u> | <u></u> |
| Shareholders' funds | | £(23,362) | £(61,941) |
| | | <u></u> | <u></u> |

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on *11th* September 2000 and signed on its behalf.



A. R. DOLLIMORE
Director

The notes on pages 5 to 7 form part of these financial statements.

LOGITRANS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2000

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover comprises the invoiced value of services supplied by the company, net of value added tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---------------------|-------------------------|
| Office equipment | 20% straight line basis |
| Plant and machinery | 20% straight line basis |

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 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 a fixed rate for the year. Exchange differences are taken into account in arriving at the operating profit.

1.6 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

In the year to 30th June 2000 1% of the company's turnover was to markets outside the United Kingdom (1999 – 5%).

LOGITRANS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2000

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

| | <u>2000</u> | <u>1999</u> |
|--|-------------------|-------------------|
| | £ | £ |
| Depreciation of tangible fixed assets | | |
| - owned by the company | 2,496 | 2,454 |
| Auditors' remuneration | 3,500 | 3,150 |
| Directors' emoluments | | |
| - remuneration | 34,200 | 30,800 |
| - pension costs | 3,360 | 2,985 |
| Other pension costs | 1,824 | 2,192 |
| Interest payable to group undertakings | 6,209 | 5,894 |
| Gain on currency exchange | 93,610 | 29,839 |
| | <u> </u> | <u> </u> |

During the year retirement benefits were accruing to one director (1999 - 1) in respect of a defined contribution pension scheme.

4. TAXATION

| | <u>2000</u> | <u>1999</u> |
|--------------------|-------------------|-------------------|
| | £ | £ |
| UK corporation tax | - | - |
| | <u> </u> | <u> </u> |

No corporation tax is payable as there are unused taxable losses brought forward of £50,000. At the balance sheet date there were unused losses to carry forward of some £11,000.

5. TANGIBLE FIXED ASSETS

| | <u>Plant and Machinery, etc.</u> | <u>Total</u> |
|-------------------------------|--------------------------------------|-------------------|
| | £ | £ |
| Cost | | |
| At 1 st July 1999 | 14,255 | 14,255 |
| Additions | 1,319 | 1,319 |
| Disposals | (3,052) | (3,052) |
| | <u> </u> | <u> </u> |
| At 30 th June 2000 | £12,522 | £12,522 |
| | <u> </u> | <u> </u> |
| Depreciation | | |
| At 1 st July 1999 | 4,492 | 4,492 |
| Charge for year | 2,496 | 2,496 |
| On disposals | (1,221) | (1,221) |
| | <u> </u> | <u> </u> |
| At 30 th June 2000 | £5,767 | £5,767 |
| | <u> </u> | <u> </u> |
| Net book value | | |
| At 30 th June 2000 | £6,755 | £6,755 |
| | <u> </u> | <u> </u> |
| At 30 th June 1999 | £9,263 | £9,263 |
| | <u> </u> | <u> </u> |

LOGITRANS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2000**

6. DEBTORS

| | <u>2000</u> | <u>1999</u> |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Due after more than one year | - | - |
| Due within one year: | | |
| Trade debtors | 225,240 | 116,721 |
| Other debtors | 20,155 | 13,925 |
| | <hr/> | <hr/> |
| | £245,395 | £130,646 |
| | <hr/> | <hr/> |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>2000</u> | <u>1999</u> |
|---------------------------------|-------------|-------------|
| | £ | £ |
| Trade creditors | 12,258 | 6,959 |
| Amounts owed to group companies | 364,137 | 355,791 |
| Other creditors | 36,474 | 29,838 |
| | <hr/> | <hr/> |
| | £412,869 | £392,588 |
| | <hr/> | <hr/> |

Included within other creditors is an amount of £32,973 (1999 - £26,214) relating to social security and other taxes.

8. CALLED UP SHARE CAPITAL

| | <u>2000</u> | <u>1999</u> |
|---|-------------|-------------|
| | £ | £ |
| Authorised | | |
| 100 ordinary shares of £1 each | 100 | 100 |
| | <hr/> | <hr/> |
| Allotted, called up and fully paid | | |
| 2 ordinary shares of £1 each | 2 | 2 |
| | <hr/> | <hr/> |

9. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

10. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Logitrans Holding A/S; a company incorporated in Denmark.