

R 9: C

LOGITRANS UK LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 1999

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

Contents

	<u>Page</u>
Directors' Report	1
Auditors' Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5

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 1999

The directors present their report and financial statements for the year ended 30th June 1999.

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 1999 and their interests in the share capital of the company were as follows:

	Number of shares	
	<u>1999</u>	<u>1998</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.

YEAR 2000 ISSUES

The directors are in the process of assessing the risks and uncertainties associated with year 2000 issues relating to the company's business and operations. The costs of this assessment and any corrective action that might be necessary are being written off to the profit and loss account as incurred. Any future costs cannot be determined at this stage.

SMALL COMPANY RULES

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on *20th September 1999* 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 1999), 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 1999 and of its loss 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: 20th September 1999

LOGITRANS UK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30th JUNE 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
Turnover	1, 2	684,640	647,916
Cost of sales		(508,883)	(441,516)
		<hr/>	<hr/>
Gross profit		175,757	206,400
Selling and distribution costs		(74,672)	(74,539)
Administrative expenses		(130,060)	(92,569)
		<hr/>	<hr/>
Operating (loss)/profit and (loss)/profit on ordinary activities before interest	3	(28,975)	39,292
Interest payable		(5,894)	(7,272)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(34,869)	32,020
Taxation on (loss)/profit on ordinary activities	4	-	-
		<hr/>	<hr/>
Retained (loss)/profit for the year		(34,869)	32,020
Retained (loss) brought forward		(27,074)	(59,094)
		<hr/>	<hr/>
Retained (loss) carried forward		£(61,943)	£(27,074)
		<hr/> <hr/>	<hr/> <hr/>

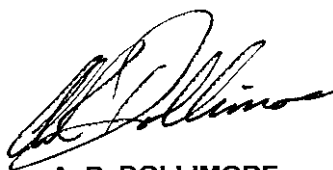
The notes on pages 5 to 7 form part of these financial statements.

LOGITRANS UK LIMITED

**BALANCE SHEET
AS AT 30th JUNE 1999**

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
Fixed assets			
Tangible assets	5	9,763	5,321
Current assets			
Stocks		97,952	89,949
Debtors	6	130,646	153,378
Cash at bank and in hand		92,286	72,056
		<u>320,884</u>	<u>315,383</u>
Creditors: amounts falling due within one year	7	(392,588)	(347,776)
Net current (liabilities)		<u>(71,704)</u>	<u>(32,393)</u>
Total assets less current liabilities		<u>£(61,941)</u>	<u>£(27,072)</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		(61,943)	(27,074)
Shareholders' funds		<u>£(61,941)</u>	<u>£(27,072)</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, and in accordance with the Financial Reporting Standard for Smaller Entities, were approved by the board on *20th September 1999* 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 1999

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention.

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 loss.

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 near 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 1999 5% of the company's turnover was to markets outside the United Kingdom (1998 – 3%).

LOGITRANS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 1999**

3. OPERATING (LOSS)/PROFIT

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

	<u>1999</u>	<u>1998</u>
	£	£
Depreciation of tangible fixed assets		
- owned by the company	2,454	1,774
Auditors' remuneration	3,150	3,000
Directors' emoluments	30,800	28,400
Pension costs	5,177	4,855
Interest payable to group undertakings	5,894	7,272
Gain on currency exchange	29,839	147,430
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to one director in respect of a defined contribution pension scheme.

4. TAXATION

	<u>1999</u>	<u>1998</u>
	£	£
UK corporation tax	-	-
	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSETS

	<u>Plant and Machinery, etc.</u>	<u>Total</u>
	£	£
Cost		
At 1 st July 1998	7,359	7,359
Additions	6,896	6,896
Disposals	-	-
	<u> </u>	<u> </u>
At 30 th June 1999	£14,255	£14,255
	<u> </u>	<u> </u>
Depreciation		
At 1 st July 1998	2,038	2,038
Charge for year	2,454	2,454
On disposals	-	-
	<u> </u>	<u> </u>
At 30 th June 1999	£4,492	£4,492
	<u> </u>	<u> </u>
Net book value		
At 30 th June 1999	£9,763	£9,763
	<u> </u>	<u> </u>
At 30 th June 1998	£5,321	£5,321
	<u> </u>	<u> </u>

LOGITRANS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 1999**

6. DEBTORS

	<u>1999</u>	<u>1998</u>
	£	£
Due after more than one year	-	-
Due within one year:		
Trade debtors	116,721	135,116
Other debtors	13,925	18,262
	<u>£130,646</u>	<u>£153,378</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1999</u>	<u>1998</u>
	£	£
Trade creditors	6,959	9,360
Amounts owed to group companies	355,791	307,376
Other creditors	29,838	31,040
	<u>£392,588</u>	<u>£347,776</u>

Included within other creditors is an amount of £26,214 (1998 - £28,439) relating to social security and other taxes.

8. CALLED UP SHARE CAPITAL

	<u>1999</u>	<u>1998</u>
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

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.