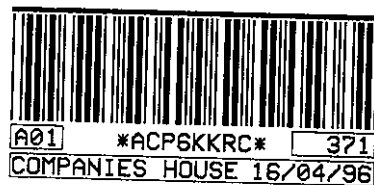


W EDE AND CO. LIMITED
DIRECTOR'S REPORT AND ACCOUNTS
YEAR ENDED 31ST DECEMBER 1995



W EDE AND CO. LIMITED

ANNUAL REPORT AND ACCOUNTS

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	20	Statement of operating profit

W EDE AND CO. LIMITED

OFFICERS AND APPOINTEES

DIRECTOR: A.J. Smith (and Chairman)

SECRETARY: T.L. Wall

REGISTERED OFFICE: SBC House
Restmor Way
Wallington
Surrey
SM6 7AH

REGISTERED NUMBER: 2672031

BANKERS: The Royal Bank of Scotland
Pall Mall Branch
9 Pall Mall
London
SW1Y 5LX

AUDITORS: Purvis Stevens & Co.
SBC House
Restmor Way
Wallington
Surrey SM6 7AH

BUSINESS REVIEW

During 1995, the company achieved its third consecutive year of growth with an increase in turnover of nearly 100% on the previous year.

W Ede & Co. continues to out-perform the increase in general economic activity whilst at the same time preparing the platform for future development by its policies of continuous monitoring of quality control and staff training.

In a competitive marketplace, the company has succeeded in satisfying its customers' requirements for a high quality of service and value for money. At the same time as meeting our clients' demands to the highest standards, we have improved our client base and maintained the company's profitability.

The development of the Special Projects Division has led to an increase in staffing at our Wallington depot by over twenty employees, including some of the most highly regarded and well known individuals in the industry.

Major projects completed during the year include:

Victoria & Albert Museum - The moving of 24 conservation departments in nine phases over a period of six months.

Department of Transport - The relocation of 1,000 employees and their office and computer equipment from 14 locations, located between Newcastle and Exeter, within strict time schedules. Our project managers were involved with the planning and execution of the project throughout.

Pfizer - The relocation of 350 personnel, their IT equipment and Lektrevr system from their Sandwich headquarters. The company's manager heading the project was on duty throughout, maintaining full liaison with the Pfizer team.

Lincoln National - A relocation of 500 staff and equipment to the tightest deadlines. A successful project completed with 12 hours to spare!

Foreign & Commonwealth Office - The relocation of 650 employees, IT equipment and furniture involving the deployment of some 6,000 crates.

Kimberly Clarke - A relocation from both their Paris and Aylesford offices to Reigate, Surrey.

Croner Publishing - A major project involving the relocation of all warehouse stock and offices.

Touche Ross - A major achievement in Birmingham with W Ede & Co. undertaking full project management including refurbishment, electrical works and IT equipment. The relocation was carried out over a period of 48 hours and involved some 300 staff.

And many others - Including United Artists, Nottingham Health Authority, The Crown Prosecution Service, Perpetual, Credit Suisse, Inland Revenue, City University, Open University, Royal Insurance PLC, Southern Water, East Surrey Water, Department of Employment, Cable & Wireless, British Telecom, Wickes, Ministry of Defence, Samsung Europe, Sequent Computers, Lonrho PLC, BBN, Radio Communication Agency.....

NEW DEVELOPMENTS

The company operates some 22,000 lidded crates and has recently formed a Crates Hire department.

CHAIRMAN'S STATEMENT (cont'd)

PREMISES

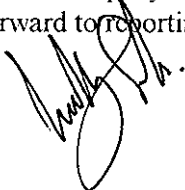
Since the balance sheet date, the company has acquired additional freehold property in close proximity to our present depots. The company intends to itself relocate during 1996 to its new facility, which offers 130,000 square feet of storage to be divided into secure storage units ranging from 500 to 10,000 square feet. This additional investment will enable us to offer our existing and new clients the widest possible storage facilities and services.

PROSPECTS

I fully expect that the achievements of 1995, together with the company's continued progress in the first quarter of 1996, will result in further growth in the forthcoming financial year with expected turnover approaching £ 3.5 million. The last twelve months is marked by the company's success in expanding its client base and establishing a capability to compete at the highest levels.

MY THANKS

To the company's staff must go my thanks for their high level of commitment and effort throughout 1995. I look forward to reporting another successful year in 1996.



A J SMITH

Chairman

15th April 1996

W EDE AND CO. LIMITED

DIRECTOR'S REPORT

The director submits his report and the accounts for the year ended 31st December 1995.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was commercial office relocation and removals and associated services.

BUSINESS REVIEW

The director is pleased to report a 96 % increase in turnover over last year. Profitability has been maintained whilst investments in staff and productive assets provide a firm base for future growth.
A more comprehensive review is contained within the Chairman's Statement on page 2.

RESULTS AND DIVIDENDS

The results of the company are set out on page 8.

DIRECTOR AND HIS INTEREST IN THE SHARES

The name of the present director of the company, who served throughout the year, is stated below.

The number of shares in the company in which the director had an interest, as defined by the Companies Act 1985, were as follows:

	Ordinary Shares of £1 each	
	Last day of year	First day of year
A.J. Smith	Nil	Nil

The company is the wholly owned subsidiary of Sutton Business Centre Limited.

FIXED ASSETS

The movements in fixed assets are shown in the notes to the accounts. In the opinion of the director, there is no significant difference between the present market value of the company's properties and the amount at which they are stated in the balance sheet.

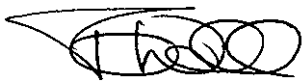
WEDE AND CO. LIMITED

DIRECTOR'S REPORT (cont'd)

AUDITORS

During the year, Messrs Purvis Stevens & Co. were appointed as auditors to the company. Messrs Purvis Stevens & Co. will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

By order of the board

A handwritten signature in black ink, appearing to be 'T.L. Wall', written over a horizontal line.

T.L. Wall
Secretary

Approved by the board on 15th April 1996

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 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;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
and
- * prepare the accounts on a 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 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.

AUDITORS' REPORT TO THE MEMBERS OF

W EDE AND CO. LIMITED

We have audited the accounts on pages 8 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 11.

Respective responsibilities of directors and auditors

As described on page 6, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PURVIS STEVENS & CO.

Chartered Accountants
and Registered Auditors

SBC House
Restmor Way
Wallington
Surrey SM6 7AH

15th April 1996

W EDE AND CO. LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1995

			Restated (Note 1g)
	Note	1995 £	1994 £
TURNOVER	2	2,429,686	1,240,154
Cost of sales		(1,857,863)	(851,394)
		<hr/>	<hr/>
GROSS PROFIT		571,823	388,760
Distribution costs		(167,379)	(77,506)
Administrative expenses		(228,682)	(149,358)
Other operating income		29,695	-
		<hr/>	<hr/>
OPERATING PROFIT	2	205,457	161,896
Profit on sale of fixed assets		73	50
Investment income	3	-	134
Interest payable	4	(59,582)	(21,455)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		145,948	140,625
Taxation	6	(34,305)	(25,000)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR		111,643	115,625
ACCUMULATED LOSSES at 1st January 1995		(43,759)	(159,384)
		<hr/>	<hr/>
RETAINED PROFITS at 31st December 1995		£ 67,884	£(43,759)
		<hr/>	<hr/>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the above two financial years.

W EDE AND CO. LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1995

	Note	1995		1994	
		£	£	£	£
FIXED ASSETS					
Intangible assets	7		-		3,363
Tangible assets	8		824,979		672,108
			824,979		675,471
CURRENT ASSETS					
Stocks	9	7,000		5,756	
Debtors	10	589,018		407,834	
Cash in hand		99		-	
		596,117		413,590	
CREDITORS: amounts falling due within one year	11	(1,013,952)		(758,049)	
NET CURRENT LIABILITIES			(417,835)		(344,459)
TOTAL ASSETS LESS CURRENT LIABILITIES			407,144		331,012
CREDITORS: amounts falling due after more than one year	12		(329,260)		(364,771)
NET ASSETS/(LIABILITIES)			£ 77,884		£ (33,759)
CAPITAL AND RESERVES					
Called up share capital					
- equity interests	13		10,000		10,000
Profit and loss account			67,884		(43,759)
SHAREHOLDERS' FUNDS	14		£ 77,884		£ (33,759)

Approved by the Board on 15th April 1996 and signed on its behalf

A.J. Smith
Director

W EDE AND CO. LIMITED

CASH FLOW STATEMENT
YEAR ENDED 31ST DECEMBER 1995

	Note	1995		1994	
		£	£	£	£
NET CASH FLOW FROM OPERATING ACTIVITIES	15		365,032		243,175
RETURNS ON INVESTMENT AND SERVICING OF FINANCE:					
Interest received		-		134	
Interest paid		(59,582)		(21,455)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(59,582)		(21,321)
INVESTING ACTIVITIES:					
Purchase of tangible fixed assets		(176,557)		(503,064)	
Receipts from sale of tangible fixed assets		800		4,550	
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			(175,757)		(498,514)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING			129,693		(276,660)
FINANCING:	18				
New bank loans		-		314,464	
Repayment of finance lease obligations		(80,309)		(50,077)	
Repayment of bank loans		(30,257)		-	
NET CASH (OUTFLOW)/INFLOW FROM FINANCING			(110,566)		264,387
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	16 & 17		£ 19,127		£ (12,273)

1. ACCOUNTING POLICIES

a) Basis of accounting:

The accounts have been prepared under the historical cost convention.

b) Turnover:

Turnover represents the amount receivable for services provided, exclusive of value added tax, duty and discounts.

c) Depreciation:

Depreciation is provided so as to write off the value of assets over their expected useful lives, and has been calculated at the following annual rates:

Freehold property	2 % on cost
Leasehold property	25 % on cost
Plant and machinery	25 % on cost
Motor vehicles	25 % on cost
Fixtures and fittings	15 % reducing balance
Goodwill	25 % on cost

d) Leased assets:

Tangible fixed assets acquired under finance leases are capitalised at cost and are depreciated over their estimated useful lives. The corresponding repayment obligations are included under creditors. Finance charges are allocated to profit and loss account over the period of the lease on a straight line basis. Rentals under operating leases are charged to profit and loss account as incurred.

e) Stocks:

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

f) Deferred taxation:

Deferred taxation is accounted for under the liability method in respect of all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

g) Accounts disclosure:

In order to more accurately reflect the nature of the company's trading activities, the directors have reallocated, for accounts disclosure purposes within the profit and loss account, certain costs from administrative expenses to cost of sales. There is no effect on reported profits. Comparative figures have been restated accordingly.

2. TURNOVER AND OPERATING PROFIT

Turnover and operating profit are attributable to the one principal activity of the company which arose wholly in the United Kingdom.

Operating profit has been arrived at after charging:

	1995 £	1994 £
Hire of equipment	7,787	862
Depreciation of fixed assets:		
- owned assets	62,295	43,321
- under finance leases	62,203	43,317
Amortisation of intangible assets	3,363	3,363
Auditors' remuneration	4,000	8,000
	<hr/>	<hr/>
	<hr/>	<hr/>

3. INVESTMENT INCOME

Bank deposit interest receivable	-	134
	<hr/>	<hr/>
	£ -	£ 134
	<hr/>	<hr/>
	<hr/>	<hr/>

4. INTEREST PAYABLE

Bank loans, overdrafts and other loans repayable after five years	43,209	8,882
Hire purchase interest	16,373	12,573
	<hr/>	<hr/>
	£ 59,582	£ 21,455
	<hr/>	<hr/>
	<hr/>	<hr/>

5. DIRECTORS AND OTHER EMPLOYEES

The average number of persons employed during the year, including the director was:

	1995 No.	1994 No.
Relocation and related services	52	30
Administration	8	6
	<hr/>	<hr/>
	60	36
	<hr/>	<hr/>
	<hr/>	<hr/>

Their total remuneration was:

	£	£
Salaries and wages	641,076	255,975
Social security costs	31,159	12,441
	<hr/>	<hr/>
	£ 672,235	£ 268,416
	<hr/>	<hr/>
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The director received no emoluments during the year (1994 - £ nil).

W EDE AND CO. LIMITED

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1995 (cont'd)

	1995	1994
6. TAXATION		
	£	£
Corporation tax based on profits for the year at 29 % (1994 - 25 %)	51,672	25,000
Overprovision in previous year	(17,367)	-
	<hr/>	<hr/>
	£ 34,305	£ 25,000
	<hr/>	<hr/>
	<hr/>	<hr/>

7. INTANGIBLE ASSETS

	Goodwill
	£
Cost:	
At 1st January and 31st December 1995	13,450
	<hr/>
	<hr/>
Amortisation:	
At 1st January 1995	10,087
Charge for year	3,363
	<hr/>
At 31st December 1995	13,450
	<hr/>
	<hr/>
Net book value:	
At 31st December 1995	£ -
	<hr/>
	<hr/>
At 31st December 1994	£ 3,363
	<hr/>
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NOTES TO THE ACCOUNTS - 31ST DECEMBER 1995 (cont'd)

8. TANGIBLE FIXED ASSETS

	Freehold	Short leasehold	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost:						
At 1.1.95	454,173	18,420	89,733	55,255	214,135	831,716
Additions	-	-	146,144	2,067	129,885	278,096
Disposals	-	-	-	(800)	(325)	(1,125)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.12.95	454,173	18,420	235,877	56,522	343,695	1,108,687
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:						
At 1.1.95	-	9,210	36,821	24,213	89,364	159,608
Charge for year	9,084	4,606	36,359	4,637	69,812	124,498
Disposals	-	-	-	(236)	(162)	(398)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.12.95	9,084	13,816	73,180	28,614	159,014	283,708
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:						
At 31.12.95	£ 445,089	£ 4,604	£ 162,697	£ 27,908	£ 184,681	£ 824,979
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.12.94	£ 454,173	£ 9,210	£ 52,912	£ 31,042	£ 124,771	£ 672,108
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of motor vehicles includes an amount of £ 155,617 (1994: £ 116,282) in respect of assets held under finance leases and hire purchase contracts.

	1995 £	1994 £
9. STOCKS		
Work in progress	£ 7,000	£ 5,756
	<hr/>	<hr/>
10. DEBTORS		
Trade debtors	559,230	348,781
Other debtors	2,191	37,408
Prepayments and accrued income	27,597	21,645
	<hr/>	<hr/>
	£ 589,018	£ 407,834
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1995 (cont'd)

11. CREDITORS - amounts falling due within one year	1995 £	1994 £
Bank loans (secured)	21,932	17,245
Bank overdrafts (secured)	48,036	67,064
Trade creditors	300,449	215,677
Amounts owed to group undertakings	250,092	253,377
Corporation tax	59,305	25,000
Social security and other taxes	73,522	22,553
Other creditors	155,254	57,454
Accruals and deferred income	35,784	51,898
Amounts due under finance leases (note 19)	69,578	47,781
	<hr/>	<hr/>
	£ 1,013,952	£ 758,049
	<hr/>	<hr/>
	<hr/>	<hr/>

The bank loan is secured by way of a fixed charge over the company's freehold property. The bank overdraft is secured by a fixed and floating charge over the company's book debts and undertaking.

The other creditors include an amount in the sum of £125,619 (1994: nil) which is secured by a fixed equitable charge on certain trade debts and related rights.

12. CREDITORS - amounts falling due after more than one year	£	£
Bank loans (secured)	262,275	297,219
Obligations under finance leases (note 19)	66,985	67,552
	<hr/>	<hr/>
	£ 329,260	£ 364,771
	<hr/>	<hr/>
	<hr/>	<hr/>
Bank loans are repayable by instalments:		
Between one and two years	20,734	34,942
Between two and five years	74,436	77,220
After more than five years	167,105	185,057
	<hr/>	<hr/>
	£ 262,275	£ 297,219
	<hr/>	<hr/>
	<hr/>	<hr/>

Details relating to security given in support of bank loans is outlined in note 11 above.

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1995 (cont'd)

	1995 £	1994 £
13. CALLED UP SHARE CAPITAL		
Authorised:		
10,000 ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
Called up, allotted and fully paid:		
10,000 ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
	<hr/>	<hr/>
	1995 £	1994 £
14. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS		
Profit for the financial year after tax	111,643	115,625
Opening shareholders' funds at 1st January 1995	(33,759)	(149,384)
	<hr/>	<hr/>
Closing shareholders' funds at 31st December 1995	£ 77,884	£(33,759)
	<hr/>	<hr/>
	<hr/>	<hr/>
15. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
	£	£
Operating profit	205,457	161,896
Depreciation	127,861	90,001
Increase in stocks	(1,244)	(1,668)
Increase in debtors	(181,184)	(288,833)
Increase in creditors	214,142	281,779
	<hr/>	<hr/>
NET CASH INFLOW FROM CONTINUING OPERATING ACTIVITIES	365,032	243,175
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W EDE AND CO. LIMITED

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1995 (cont'd)

	1995 £	1994 £
16. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET		
Balance at 1st January 1995	(67,064)	(54,791)
Net cash inflow/(outflow)	19,127	(12,273)
	<hr/>	<hr/>
Balance at 31st December 1995	(47,937)	(67,064)
	<hr/>	<hr/>

	1995 £	1994 £	Change for the year £
17. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET			
Cash in hand	99	-	99
Bank overdraft	(48,036)	(67,064)	19,028
	<hr/>	<hr/>	<hr/>
	(47,937)	(67,064)	19,127
	<hr/>	<hr/>	<hr/>

	Finance leases £	Bank loans £
18. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR		
Balance at 1st January 1995	115,333	314,464
New finance leases entered into during the year	101,539	-
Cash outflow	(80,309)	(30,257)
	<hr/>	<hr/>
Balance at 31st December 1995	136,563	284,207
	<hr/>	<hr/>

19. FUTURE FINANCIAL COMMITMENTS

(a) Operating leases:

At 31st December 1995, the company had annual commitments under operating leases as set out below:

	1995		1994	
	Land and buildings £	Other £	Land and buildings £	Other £
Annual commitments under operating leases expiring:				
Within 1 year	15,000	-	-	-
Between 2 and 5 years	64,400	12,553	79,400	12,553
After five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>

(b) Finance leases:

At 31st December 1995, the company had obligations under finance leases and hire purchase contracts which are set out below:

	1995 £	1994 £
Gross amount payable:		
Within one year	88,082	60,557
Between one and two years	54,210	54,105
Between two and five years	29,901	34,536
Over five years	-	-
	<hr/>	<hr/>
	172,193	149,198
Deduct finance charges allocated to future periods	35,630	33,865
	<hr/>	<hr/>
	£ 136,563	£ 115,333
	<hr/>	<hr/>
	<hr/>	<hr/>

20. THE ULTIMATE HOLDING COMPANY

At the balance sheet date, the entire issued share capital of the company was held by Sutton Business Centre Limited, a company in which the director, Mr A.J. Smith, has a 100% equity interest.

The holding company was incorporated in Great Britain and registered in England and Wales.