

JETLOAD TRADING LIMITED
INDEX TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 1994

CONTENTS	PAGE
Report of the Directors	1-2
Report of the Accountants	3
Balance Sheet	4
Profit and Loss Account	5
Statement of Cash Flows	6
Corporation Tax Computation	7-8
Notes to the Financial Statements	9-11



REPORT OF THE DIRECTORS
OF
JETLOAD TRADING LIMITED

The Directors present their report together with the accounts for the year ended 31st July 1994.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of shipping and forwarding agents.

RESULTS

The company results are as shown on page 4.

DIRECTORS

The Directors of the company and their respective shareholdings are as follows:

	<u>Ordinary Shares</u>	
	<u>1994</u>	<u>1993</u>
Colin Le Roy Carter	86	86
Ethlyn Lee	-	-
Rudolph Carter	5	5
	<u>—</u>	<u>—</u>
	91	91
	<u>—</u>	<u>—</u>

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The law requires us the directors to prepare the financial statements for each year which give a true and fair view of the state of affairs of the company and of its profit and loss for that period. In preparing the financial statements, we are required to:

- (a) select suitable accounting policies and then apply them consistently through the years
- (b) make judgements and estimates that are reasonable and prudent
- (c) state whether applicable accounting standards have been followed, subject to any material departures that should be disclosed and explained in the financial statements
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. We 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 should they exist.

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REPORT OF THE DIRECTORS
OF
JETLOAD TRADING LIMITED (CONTINUED)

DIVIDENDS

The Directors do not recommend the payment of a dividend.

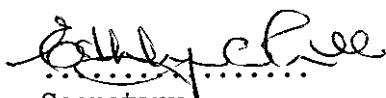
FIXED ASSETS

Details of any changes in the fixed assets are shown on the attached accounts.

REPORTING ACCOUNTANTS

Messrs Leroy Reid & Co have indicated their willingness to serve as Reporting Accountants and a resolution appointing them will be proposed at the annual general meeting.

By Order of the Board


Secretary

REPORT OF THE ACCOUNTANTS TO THE MEMBERS
OF
JETLOAD TRADING LIMITED

We have examined, without carrying out an audit, the accounts for the year ended 31st July 1994 set out on pages 4 to 11.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANT

As described on page 1 the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the shareholders.

BASIS OF OPINION

We conducted our examination in accordance with the appropriate standards for Reporting Accountants. This examination consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the company's officers as we considered necessary for the purposes of this Report.


Where independent confirmation of the completeness of the accounting records was not available, we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly, we do not express an audit opinion on the accounts and our examination does not provide any assurance that the company's records and accounts are free from material misstatement.

OPINION

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records, the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(4) of the Act; and
- (c) having regard only to, and on the basis of, the information contained in those accounting records, the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time during that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).


LEROY REID & CO
CERTIFIED ACCOUNTANTS & REGISTERED AUDITOR

18th March 1995

299 Northborough Road
Norbury
London SW16 4TR

JETLOAD TRADING LIMITED

BALANCE SHEET AS AT 31ST JULY 1994

EMPLOYMENT OF CAPITAL	NOTES	1994	1993
Fixed assets	2	151,566	151,392
CURRENT ASSETS			
Related company	3	10,360	15,809
Debtors and work in progress		15,071	6,220
Cash and bank balance		2,786	741
		28,217	22,770
CREDITORS			
Amounts falling due within one year	4(a)	(46,001)	(38,719)
Net Current Assets (Liabilities)		(17,784)	(15,949)
Total assets less current liabilities		133,782	135,443
CREDITORS			
Amounts falling due after more than one year	4(b)	(8,953)	(15,478)
		£124,829	£119,965
FINANCED BY:			
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and Loss Account		19,224	14,360
Capital Reserve		105,505	105,505
		£124,829	£119,965

The directors are satisfied:

- (a) that for the year in question the company was entitled to exemption under subsection (2) of Section 249A, Companies Act 1985
- (b) that no notice has been deposited under section 249B(2) of the Act in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with Section 221, Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The accounts were approved by the Board.

Director 

Date 18th March 1995

Director 

Date 18th March 1995

The accompanying notes form an integral part of the accounts.

JETLOAD TRADING LIMITED
 PROFIT AND LOSS ACCOUNT
 YEAR ENDED 31ST JULY 1994

	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
TURNOVER	1(b)	132,736	142,081
Cost of goods sold	6(a)	<u>(113,229)</u>	<u>(108,878)</u>
GROSS PROFIT		19,507	33,203
Rental income	8	20,012	11,494
Operating costs	6(b)	<u>(32,782)</u>	<u>(36,016)</u>
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		6,737	8,681
Tax on Profit of Ordinary Activities	7	<u>(1,873)</u>	<u>(1,644)</u>
Profit on Ordinary Activities after Taxation		4,864	7,037
Retained Profit (Loss) brought forward		<u>14,360</u>	<u>7,323</u>
Retained Profit (Deficit) carried forward		<u>£19,224</u>	<u>£14,360</u>

The accompanying notes form an integral part of the accounts.

JETLOAD TRADING LIMITED
STATEMENT OF CASH FLOWS
YEAR ENDED 31ST JULY 1994

CASH FLOW FROM OPERATING ACTIVITIES	<u>1994</u>	<u>1993</u>
Net Profit (Loss) before taxation	6,737	8,681
ITEMS NOT AFFECTING CASH RESOURCES		
Profit on disposal of motor vehicle	-	(247)
Depreciation	478	413
Funds generated internally	7,215	8,847
Increase (Decrease) in current assets:		
(Increase) Decrease in current assets	(3,402)	(517)
Increase (decrease) in current liabilities	8,180	1,718
Net cash flow from operating activities	11,993	10,048
Cash Flow from Investing Activities:		
Proceeds from disposal of motor vehicle	-	1,800
Purchase of fixed assets	(652)	(1,740)
Cash Flow from Financing Activities:		
Taxation	(1,873)	(1,644)
Directors Loan	(3,460)	(5,205)
Loan repayment	(2,373)	(1,980)
Net increase (decrease) in cash and cash equivalents	<u>£3,635</u>	<u>£1,279</u>
Represented by:		
Cash and bank balances	2,045	201
Bank overdraft	<u>1,590</u>	<u>1,078</u>
Net increase (decrease) in cash and cash equivalents	3,635	1,279
Opening balance	<u>(11,533)</u>	<u>(12,812)</u>
Closing balance	<u>£(7,898)</u>	<u>£(11,533)</u>

JETLOAD TRADING LIMITED
CORPORATION TAX COMPUTATION
YEAR ENDED 31ST JULY 1994

	<u>1994</u>	<u>1993</u>
Net profit as per accounts	6,737	8,681
ADD		
Depreciation	478	413
Schedule A Expenses	12,519	4,144
	<u>19,734</u>	<u>13,238</u>
LESS		
Capital Allowance	(962)	(1,066)
Rent received	(20,012)	(11,494)
Profit on disposal of motor vehicle	-	(247)
	<u>£(1,240)</u>	<u>£ 431</u>
Schedule D Case 1 Profit		
	<u><u>£(1,240)</u></u>	<u><u>£ 431</u></u>
CORPORATION TAX COMPUTATION		
Schedule D Case 1	-	-
Schedule A (see page 8)	7,493	6,574
	<u>7,493</u>	<u>6,574</u>
Corporation Tax at 25%	£1,873.25	£1,644
	<u><u>£1,873.25</u></u>	<u><u>£1,644</u></u>
LOSS carried forward		
S393(1) losses brought forward	(1,048)	(1,479)
Set off Schedule D Case 1 Profit	(1,240)	431
	<u>(2,288)</u>	<u>431</u>
S393(1) losses carried forward	£(2,288)	£(1,048)
	<u><u>£(2,288)</u></u>	<u><u>£(1,048)</u></u>

JETLOAD TRADING LIMITED
CORPORATION TAX COMPUTATION (CONTINUED)

YEAR ENDED 31ST JULY 1994

CAPITAL ALLOWANCE COMPUTATION

	<u>Pool</u>	<u>Motor Vehicles</u>	<u>Total Claim</u>
WDV brought forward	766	2,433	
Additions	652	-	
WDA at 25%	<u>(354)</u>	<u>(608)</u>	<u>£962</u>
WDV carried forward	<u>£1,064</u>	<u>£1,825</u>	

SCHEDULE A COMPUTATION

	<u>1994</u>	<u>1993</u>
Rental Income	<u>20,012</u>	<u>11,494</u>
LESS EXPENSES:		
Audit and accountancy	(300)	-
Loan interest	(2,978)	(1,940)
Rates, water and insurance	(3,653)	(669)
Repairs and maintenance	(539)	(148)
Light and heat	(1,324)	(374)
Salaries and wages	(3,725)	(1,013)
	<u>(12,519)</u>	<u>(4,144)</u>
Net rental received	7,493	7,350
Losses brought forward	<u>-</u>	<u>(776)</u>
Schedule A chargeable to Corporation Tax	<u>£7,493</u>	<u>£6,574</u>

JETLOAD TRADING LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 31ST JULY 1994

1. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

(b) Turnover

Turnover is recorded on the accrual basis net of value added tax and is comprised of freight commissions and services.

(c) Work in Progress

Work in progress is valued at cost on uncompleted contracts.

(d) Depreciation

Depreciation is calculated on the straight line basis at the rate of 20% which is intended to write off the cost of the assets over their estimated useful lives.

2. FIXED ASSETS

	Freehold Property	Furniture Fixtures & Fittings	Motor Vehicles	Total
COST OR REVALUATION				
Opening balance	150,000	5,262	1,500	156,762
Additions	-	652	-	652
Disposals	-	-	-	-
Closing balance	150,000	5,914	1,500	157,414
ACCUMULATED DEPRECIATION				
Opening balance	-	5,070	300	5,370
Charge for the year	-	178	300	478
Disposal	-	-	-	-
Closing balance	-	5,248	600	5,848
NET BOOK VALUE				
at 31st July 1994	£150,000	£ 666	£ 900	£151,566
at 31st July 1993	£150,000	£ 192	£1,200	£151,392

JETLOAD TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31ST JULY 1994

3.	AMOUNTS DUE FROM RELATED PARTIES	<u>1994</u>	<u>1993</u>
	Opening balance	15,808	12,881
	Cash advances and expenses	3,100	7,724
	Repayments	(8,548)	(4,796)
		<u> </u>	<u> </u>
	Closing balance	£10,360	£15,809
		<u> </u>	<u> </u>
4.	a) CREDITORS: Amounts falling due within one year	<u>1994</u>	<u>1993</u>
	Bank loan	2,672	1,980
	Short term loan	1,135	5,335
	Bank overdraft	10,684	12,274
	Other taxation and social security	2,098	4,683
	Trade creditors	11,713	11,078
	Accruals and other creditors	3,274	1,725
	Corporation Tax	3,517	1,644
	Caribbean Funeral Services	10,908	-
		<u> </u>	<u> </u>
		£46,001	£38,719
		<u> </u>	<u> </u>
	b) CREDITORS: Amounts falling due after more than one year		
	Directors loan account	1,351	4,811
	Bank loan	7,602	10,667
		<u> </u>	<u> </u>
		£8,953	£15,478
		<u> </u>	<u> </u>

The bank loan is secured on the freehold building and attracts interest at the rate of 15% per annum. Repayments are due in monthly instalments of £326, the final payment due in September 1997.

5.	SHARE CAPITAL	<u>Authorised</u>	<u>Issued and Fully Paid</u>
	Ordinary Shares of £1 each	£100	£100
		<u> </u>	<u> </u>

JETLOAD TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31ST JULY 1994

6. PROFIT AND LOSS ACCOUNT	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
Freight income and commission		132,736	142,081
a) Cost of freight and commission		(113,229)	(108,878)
Gross Profit		19,507	33,203
Rental income		20,012	11,494
		<u>39,519</u>	<u>44,697</u>
OPERATING COSTS:			
ADMINISTRATIVE, SELLING AND FINANCIAL EXPENSES			
Exceptional expenditure (Note 8)		-	3,644
Directors emoluments		2,250	2,800
Motor and travelling expenses		2,957	3,041
Salaries and wages		5,321	5,065
Light and heat		1,891	1,870
Accountancy		600	540
Auditor's remuneration		600	460
Rates, water and insurance		5,218	3,345
Bad debt		-	981
Repairs and maintenance		770	738
Equipment lease		5,051	5,234
Printing, postage and telephone		2,339	2,164
General		157	326
Subscription		45	205
Advertisement		851	904
Interest and bank charges		4,254	4,533
Profit on disposal of motor vehicle		-	(247)
Depreciation 1(d)		478	413
b) Total Operating Cost		<u>32,782</u>	<u>36,016</u>
Net Profit (Loss) for the year		<u>£6,737</u>	<u>£8,681</u>

7. TAXATION

The company is a closed company within the meaning of Section 414 of the Income and Corporation Taxes Act of 1988.

8. RENTAL INCOME

Approximately 70% of the premises are rented hence the apportionment of the expenses shown on page 8.