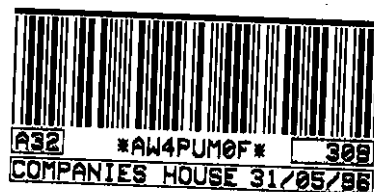


HELTOR LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995

COMPANY NUMBER 686375



REPORT OF THE DIRECTORS

The directors have pleasure in presenting their annual report and the audited consolidated accounts of Heltor Limited for the year ended 31 August 1995.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Heltor Limited's principal activities are the sale and distribution of oil and ancillary products, warehousing and distribution.

On 1 September 1995 the company acquired the business of Heltor (Cornwall) Limited for a consideration comprising preference shares and loan notes.

RESULTS AND DIVIDENDS

The group loss for the year after taxation, minority interests and exceptional items amounted to £155,283. The directors recommend that no dividend be paid in respect of the year (1994: No dividend) and the loss will be sustained against reserves.

FIXED ASSETS

Movements in fixed assets during the year are shown in note 8 to the accounts.

At the date of these accounts the company owned freehold property of £1,260,724 which is valued on the basis shown in the notes to the accounts. In the opinion of the directors the land and buildings of the company had an open market value in excess of this figure.

During the year, the group disposed of its interest in Heathfield Rentals Limited. These accounts deal with the effect of such disposal and the resulting discontinued operations.

DIRECTORS

The directors of the company in office during the year, and their beneficial interests in the ordinary share capital at the beginning and end of the year were:

	At 31.8.1995	At 31.8.1994
Mr A D Kingdon - Chairman	548	548
Mr P J Kingdon	778	778
Mr N P Kingdon	778	778

In addition, Mr N P Kingdon holds 36 (1994: 35) shares in Heathfield Rentals Limited, which was a subsidiary of Heltor Limited until 31 January 1995.

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts, 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;
- 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 to enable them to ensure that the accounts 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the reappointment of Simpkins Edwards as auditors of the company will be put to the annual general meeting.

BY ORDER OF THE BOARD

W H Landon 24 MAY 1996

SECRETARY

MA W H LONDON

AUDITORS' REPORT TO THE SHAREHOLDERS OF

HELTOR LIMITED

We have audited the accounts on pages 3 to 20 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1B, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 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 and the group as at 31 August 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SIMPKINS EDWARDS
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Exeter

29 May 1996

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 1995

	Notes	1995 £	1994 £
TURNOVER	2		
Continuing operations		14,150,762	15,072,366
Discontinued operations		203,294	498,692
		<hr/>	<hr/>
		14,354,056	15,571,058
Cost of sales		12,523,238	13,556,702
		<hr/>	<hr/>
GROSS PROFIT		1,830,818	2,014,356
Selling and distribution costs		1,259,746	1,125,404
Administrative expenses		668,610	776,239
Other operating income		78,639	73,573
		<hr/>	<hr/>
OPERATING (LOSS)/PROFIT			
Continuing operations		(58,267)	93,041
Discontinued operations		39,368	93,245
		<hr/>	<hr/>
		(18,899)	186,286
Profit/(loss) on sale of fixed assets - continuing operations		17,226	15,059
Profit on sale of fixed assets - discontinued operations		18,054	6,349
Exceptional item - loss on disposal of interest in subsidiary undertaking		(88,248)	-
		<hr/>	<hr/>
(LOSS)/PROFIT on ordinary activities before interest		(71,867)	207,694
Interest receivable		5,108	2,405
Interest payable	3	56,819	52,071
		<hr/>	<hr/>
(LOSS)/PROFIT on ordinary activities before taxation	4	(123,578)	158,028
TAXATION	6	13,708	51,693
		<hr/>	<hr/>
(LOSS)/PROFIT for the financial year after taxation		(137,286)	106,335
Minority interests		17,997	21,396
		<hr/>	<hr/>
(LOSS)/PROFIT for the financial year	7	(155,283)	84,939
		<hr/>	<hr/>
RETAINED (LOSS)/PROFIT for the financial year		(£155,283)	£84,939
		<hr/>	<hr/>

BALANCE SHEET AS AT 31 AUGUST 1995

	Notes	GROUP		COMPANY	
		1995 £	1994 £	1995 £	1994 £
FIXED ASSETS					
Tangible assets	8	2,438,460	2,611,601	2,302,847	1,908,055
Investments in subsidiary undertakings	9	-	-	90,000	90,050
		<u>2,438,460</u>	<u>2,611,601</u>	<u>2,392,847</u>	<u>1,998,105</u>
CURRENT ASSETS					
Stocks	11	69,761	68,778	69,636	68,644
Debtors	12	1,640,905	1,704,096	1,646,290	1,631,726
Cash at bank and in hand		8,315	66,754	2,599	31,606
		<u>1,718,981</u>	<u>1,839,628</u>	<u>1,718,525</u>	<u>1,731,976</u>
CREDITORS: amounts falling due within one year	13	2,317,373	2,448,644	2,295,633	2,121,948
NET CURRENT LIABILITIES		<u>(598,392)</u>	<u>(609,016)</u>	<u>(577,108)</u>	<u>(389,972)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,840,068	2,002,585	1,815,739	1,608,133
CREDITORS: amounts falling due after more than one year	13	188,112	36,012	188,112	-
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	15	246,044	242,565	235,263	230,248
NET ASSETS		<u>£1,405,912</u>	<u>£1,724,008</u>	<u>£1,392,364</u>	<u>£1,377,885</u>
CAPITAL AND RESERVES					
Called up share capital	16	2,104	2,104	2,104	2,104
Profit and loss account	17	1,377,921	1,533,204	1,390,260	1,375,781
Shareholders' funds	21	1,380,025	1,535,308	1,392,364	1,377,885
Minority interest		25,887	188,700	-	-
		<u>£1,405,912</u>	<u>£1,724,008</u>	<u>£1,392,364</u>	<u>£1,377,885</u>

The accounts on pages 3 to 20 were approved by the board of directors on 24 MAY 1996 and were signed on its behalf by:

DIRECTORS

(Signature)
(Signature)

MA N P KINGDON

MA P J KINGDON

Simpkins Edwards
Chartered Accountants

HELTOR LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 1995

	1995 £	1994 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	295,622	573,737
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	5,108	2,405
Interest paid	(48,901)	(38,289)
Interest element of finance leases and hire purchase rental payments	<u>(7,918)</u>	<u>(13,782)</u>
Net cash inflow from returns on investments and servicing of finance	<u>(51,711)</u>	<u>(49,666)</u>
	243,911	524,071
TAXATION		
Corporation tax paid (including advance corporation tax)	(20,848)	(62,597)
INVESTING ACTIVITIES		
Payments to acquire tangible fixed assets	(896,337)	(468,284)
Receipts from sale of tangible fixed assets	110,451	73,283
Disposal of interest in subsidiary undertaking	<u>92,562</u>	<u>-</u>
Net cash outflow from investing activities	<u>(693,324)</u>	<u>(395,001)</u>
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(470,261)	66,473
FINANCING		
New loans, finance leases and hire purchase loans	401,694	128,110
Capital element of finance lease payments and hire purchase loans	<u>(282,881)</u>	<u>(130,691)</u>
Net cash outflow from financing	<u>118,813</u>	<u>(2,581)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>£351,448</u>	<u>£63,892</u>
DISPOSALS OF SUBSIDIARY UNDERTAKING		
Tangible fixed assets	95,562	-
Non-cash equivalent working capital	<u>(273,372)</u>	<u>-</u>
	(180,810)	-
Loss on disposal	<u>(£88,248)</u>	<u>-</u>
Consideration - cash	<u>£92,562</u>	<u>-</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 1995

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1995 £	1994 £
Operating (loss)/profit less minority interest	(36,896)	164,890
Depreciation charges	326,704	393,335
Minority interest in retained profits for the year	17,997	21,396
(Increase)/decrease in stocks	(983)	(13,113)
(Increase)/decrease in debtors	63,191	44,700
(Decrease)/increase in creditors	(74,391)	(37,471)
NET CASH INFLOW FROM OPERATING ACTIVITIES	£295,622	£573,737

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	1995 £
Balance at 1 September 1994	(408,842)
Net cash outflow	(351,448)
Balance at 31 August 1995	(£760,290)

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1995 £	1994 £	Change in year £
Cash at bank and in hand	8,315	66,754	(58,439)
Bank overdrafts	(768,605)	(475,596)	(293,009)
	(£760,290)	(£408,842)	(£351,448)

4. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Loans and finance lease obligations £	Share capital £
Balance at 1 September 1994	145,849	2,104
Cash inflow from financing	118,813	-
Balance at 31 August 1995	£264,662	£2,104

STATEMENT OF TOTAL GROUP RECOGNISED GAINS AND LOSSES

	1995 £	1994 £
Loss for the financial year	(155,283)	84,939
Total recognised gains and losses for the year	(£155,283)	£84,939

STATEMENT OF TOTAL COMPANY RECOGNISED GAINS AND LOSSES

	1995 £	1994 £
Profit for the financial year	14,479	71,445
Total recognised gains and losses for the year	£14,479	£71,445

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Basis of consolidation

The group accounts comprise a consolidation of Heltor Limited ('Company') and its subsidiary ('Group'). The accounts of the subsidiary are made up to 31 August 1995. One subsidiary holding was disposed of on 31 January 1995 and accordingly, the results of that company are consolidated to that date. As permitted by the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts.

(c) Turnover

Turnover represents the value of goods and services supplied net of value added tax.

(d) Tangible fixed assets

The cost of tangible fixed assets is written off to estimated residual value by the straight line method using the following rates:

Freehold buildings	2 - 5% per annum on cost
Plant and equipment	10 - 15% per annum on cost
Motor vehicles	20% per annum on cost

No depreciation is provided on freehold land.

(e) Investment properties

In accordance with Statement of Standard Accounting Practice Number 19, (i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and (ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over twenty years to run. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

The valuation at 31 August 1995 was made by Mr A D Kingdon, a director of the company, using open market value.

(f) Stocks and work in progress

Stocks and work in progress are valued at the lower of cost, and net realisable value, after making due allowances for obsolete and slow moving stock.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

(g) Deferred taxation

Deferred taxation is provided at the current rate of corporation tax on timing differences which arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the accounts to the extent that they are expected to give rise to an actual liability in the foreseeable future.

(h) Leasing and hire purchase

Where assets are financed by hire purchase agreements the assets are treated as if they had been purchased outright. The amount capitalised is the cost of the asset. The corresponding commitments are shown as obligations to the hire purchase company.

Depreciation on the relevant assets is charged to the profit and loss account.

Hire purchase payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account using the annuity method.

(i) Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

2. TURNOVER

	1995 £	1994 £
Class of business:		
Fuel and oil distribution	12,899,069	13,953,739
Haulage and storage	1,251,693	1,118,627
Vehicle leasing	203,294	493,917
Holiday letting	-	4,775
	<hr/>	<hr/>
	£14,354,056	£15,571,058
	<hr/>	<hr/>

All turnover arises in the United Kingdom.

An analysis of profit before taxation between classes of business has not been given.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

3. INTEREST PAYABLE

	1995	1994
	£	£
On bank loans, overdrafts and other loans:		
Repayable within five years, not by instalments	39,280	24,698
Repayable within five years, by instalments	9,621	-
Other interest payable	-	13,591
	<hr/>	<hr/>
	48,901	38,289
On hire purchase contracts	7,918	13,782
	<hr/>	<hr/>
	£56,819	£52,071
	<hr/>	<hr/>

4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1995	1994
	£	£
Profit on ordinary activities before taxation is stated after crediting:		
Rents receivable	10,591	8,103
	<hr/>	<hr/>
and after charging:		
Depreciation - on owned tangible fixed assets	305,344	342,413
- on tangible fixed assets held under hire purchase contracts	21,360	50,922
Auditors' remuneration (excluding expenses):		
- in respect of audit work	7,175	7,700
Hire of plant and machinery	6,553	10,906
Hire of other assets	7,301	4,352
Exceptional item -		
Loss on disposal of interest in subsidiary undertaking	(88,248)	-
	<hr/>	<hr/>

Amounts charged to revenue in respect of sums payable for the hire of motor vehicles made under hire purchase contracts are shown under the headings of depreciation £21,360 and finance charges £7,918 - total £29,278 (1994: £64,704).

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

5. DIRECTORS AND EMPLOYEES

Employees

The average weekly number of persons, including directors, employed by the group during the year was:

Categories	1995 Number	1994 Number
Sales and marketing	28	29
Office and management	20	24
	<hr/>	<hr/>
	48	53
	<hr/>	<hr/>

	1995 £	1994 £
Staff costs for the above persons		
Wages and salaries	693,386	741,969
Social security costs	72,494	76,985
Other pension costs	19,856	21,680
	<hr/>	<hr/>
	£785,736	£840,634
	<hr/>	<hr/>

Directors' remuneration

The remuneration paid to the directors of Heltor Limited was as follows:

	1995 £	1994 £
Emoluments (including pension contributions and benefits in kind)	£210,092	£235,437
	<hr/>	<hr/>
Emoluments disclosed above, excluding pension contributions, include amounts paid to:		
The chairman	£45,847	£43,898
	<hr/>	<hr/>
The highest paid director	£78,635	£103,846
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

5. DIRECTORS AND EMPLOYEES (CONTINUED)

The number of directors, including the chairman and highest paid director, who received fees and other emoluments, excluding pension contributions, in the following ranges was:

	1995 Number	1994 Number
£40,001 - £45,000	-	1
£45,001 - £50,000	1	-
£70,001 - £75,000	1	-
£75,001 - £80,000	1	1
£100,001 - £105,000	-	1
	<hr/>	<hr/>

6. TAXATION

	1995 £	1994 £
UK corporation tax at 25% (1994: 28.8%)		
Current	6,996	45,779
Deferred	6,716	5,914
Under/(over) provision in respect of prior years:		
Current	(4)	-
	<hr/>	<hr/>
	£13,708	£51,693
	<hr/>	<hr/>

7. PROFIT FOR THE FINANCIAL YEAR

	1995 £	1994 £
As permitted by section 228(7) of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements		
The amount of profit dealt with in the holding company's individual accounts was	£14,479	£71,445
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1994 (CONTINUED)

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Investment properties £	Total £
GROUP						
COST						
At 1 September 1994	1,575,125	784,490	162,237	2,650,572	-	5,172,424
Additions	121,371	48,571	1,174	481,658	243,563	896,337
Disposals	(153,964)	(61,494)	(6,181)	(1,496,204)	-	(1,717,843)
At 31 August 1995	1,542,532	771,567	157,230	1,636,026	243,563	4,350,918
DEPRECIATION						
At 1 September 1994	167,347	506,402	119,549	1,767,525	-	2,560,823
Charge for the year	34,824	88,014	14,980	188,886	-	326,704
Eliminated on disposals	(3,676)	(46,916)	(6,071)	(918,406)	-	(975,069)
At 31 August 1995	198,495	547,500	128,458	1,038,005	-	1,912,458
NET BOOK VALUE						
At 31 August 1995	£1,344,037	£224,067	£28,772	£598,021	£243,563	£2,438,460
At 31 August 1994	£1,407,778	£278,088	£42,688	£883,047	-	£2,611,601

The net book value of tangible fixed assets includes an amount of £98,442 (1994: £249,506) in respect of assets held under hire purchase contracts.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

8. TANGIBLE FIXED ASSETS (CONTINUED)

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Investment properties £	Total £
COMPANY						
COST						
At 1 September 1994	1,318,799	468,805	162,237	1,463,189	-	3,413,030
Additions	120,406	47,776	1,174	289,038	243,563	701,957
Disposals	-	(42,848)	(6,181)	(116,201)	-	(165,230)
At 31 August 1995	1,439,205	473,733	157,230	1,636,026	243,563	3,949,757
DEPRECIATION						
At 1 September 1994	125,260	300,018	119,549	960,148	-	1,504,975
Charge for the year	28,383	69,358	14,980	127,559	-	240,280
Eliminated on disposals	-	(42,572)	(6,071)	(49,702)	-	(98,345)
At 31 August 1995	153,643	326,804	128,458	1,038,005	-	1,646,910
NET BOOK VALUE						
At 31 August 1995	£1,285,562	£146,929	£28,772	£598,021	£243,563	£2,302,847
At 31 August 1994	£1,193,539	£168,787	£42,688	£503,041	-	£1,908,055

The net book value of tangible fixed assets includes an amount of £98,442 (1994: Nil) in respect of assets held under hire purchase contracts.

Company land and buildings at net book value comprise:

	1995 £	1994 £
Freeholds	1,260,724	1,165,940
Short leaseholds	24,838	27,599
	<u>£1,285,562</u>	<u>£1,193,539</u>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

9. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	1995 £	1994 £
At 1 September 1994	90,050	90,050
Disposals	(50)	-
	<hr/>	<hr/>
At 31 August 1995	£90,000	£90,050
	<hr/>	<hr/>

As at 31 August 1995, the company had the following subsidiary incorporated in the United Kingdom:

Name	Proportion of equity share capital held	Nature of business
Heathfield Terminal Company Limited	75%	Operation of oil terminal

The disposal relates to a 50% holding (50 shares of £1 each) in Heathfield Rentals Limited which was previously accounted for as an operating subsidiary.

10. CAPITAL COMMITMENTS

	Group		Company	
	1995	1994	1995	1994
Capital expenditure:				
Contracted for but not provided in the accounts	£106,272	£160,000	£106,272	£Nil
	<hr/>	<hr/>	<hr/>	<hr/>

11. STOCKS

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Stocks comprise:				
Raw materials and consumables	60,986	58,995	60,861	58,861
Stores	8,775	9,783	8,775	9,783
	<hr/>	<hr/>	<hr/>	<hr/>
	£69,761	£68,778	£69,636	£68,644
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

12. DEBTORS

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Trade debtors	1,417,527	1,498,288	1,406,613	1,405,433
Amounts owed by subsidiary undertakings	-	-	19,241	66,626
Other debtors	152,139	76,740	152,139	76,539
Prepayments	71,239	129,068	68,297	83,128
	<hr/>	<hr/>	<hr/>	<hr/>
	£1,640,905	£1,704,096	£1,646,290	£1,631,726
	<hr/>	<hr/>	<hr/>	<hr/>

13. CREDITORS

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Amounts falling due within one year:				
Current instalments due on bank loans	35,055	-	35,055	-
Bank overdrafts	768,605	475,596	768,605	472,741
Obligations under hire purchase contracts	41,495	109,837	41,495	-
Trade creditors	1,386,501	1,516,135	1,386,501	1,516,135
Corporation tax	2,549	45,779	2,549	20,850
Other taxation and social security payable	35,702	101,429	34,439	85,746
Other creditors	6,744	146,441	-	-
Accruals	36,578	40,922	22,845	14,619
Directors' current accounts	4,144	12,505	4,144	11,857
	<hr/>	<hr/>	<hr/>	<hr/>
	£2,317,373	£2,448,644	£2,295,633	£2,121,948
	<hr/>	<hr/>	<hr/>	<hr/>
Amounts falling due after more than one year:				
Bank loans	143,045	-	143,045	-
Obligations under hire purchase contracts (see note 14)	45,067	36,012	45,067	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£188,112	£36,012	£188,112	-
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

14. BANK LOANS AND OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Repayable by instalments:				
Bank loans at 1.25% over base rate unsecured repayable in 60 equal monthly instalments from January 1995	178,100	-	178,100	-
Hire purchase contracts	86,562	-	86,562	-
	<u>£264,662</u>	<u>-</u>	<u>£264,662</u>	<u>-</u>
Obligations under hire purchase contracts and bank loans are repayable as follows:				
In one year, or less, or on demand	76,550	109,837	76,550	-
Between one and two years	83,021	36,012	83,021	-
Between two and five years	105,091	-	105,091	-
	<u>£264,662</u>	<u>£145,849</u>	<u>£264,662</u>	<u>-</u>

15. DEFERRED TAXATION

The amount provided, which equals the total potential liability, is as follows:

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Tax effect of timing differences because of:				
Excess of tax allowances over depreciation	247,464	241,982	236,683	229,665
Other	(1,420)	583	(1,420)	583
	<u>£246,044</u>	<u>£242,565</u>	<u>£235,263</u>	<u>£230,248</u>

As at 31 August 1995 there is also a potential liability for the company and the group of £11,006 (1994: £11,006) in respect of the profit on disposal of freehold property. The tax payable in this context has been rolled over by reinvestment of the proceeds in further acquisitions of property. Such charges would crystallise in the event of further transactions removing the qualification for rollover relief, although such a course of action is unlikely in the foreseeable future.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

15. DEFERRED TAXATION (CONTINUED)

The movements on the provision for deferred taxation are as follows:

	Group £	Company £
Provision at 1 September 1994	242,565	230,248
Transfer from profit and loss account	3,479	5,015
	<hr/>	<hr/>
	£246,044	£235,263
	<hr/>	<hr/>

16. CALLED UP SHARE CAPITAL

	1995	1994
Authorised:		
10,200 ordinary shares of £1 each	£10,200	£10,200
	<hr/>	<hr/>
Allotted, called up and fully paid:		
2,104 ordinary shares of £1 each	£2,104	£2,104
	<hr/>	<hr/>

Details of directors' interests in shares of the group undertakings are included in the directors' report.

17. PROFIT AND LOSS ACCOUNT

	Holding company £	Subsidiary undertakings £	Group £
Group			
At 1 September 1994	1,375,781	157,423	1,533,204
Retained for the year	14,479	(169,762)	(155,283)
	<hr/>	<hr/>	<hr/>
At 31 August 1995	£1,390,260	(£12,339)	£1,377,921
	<hr/>	<hr/>	<hr/>

18. TRANSACTIONS WITH DIRECTORS

During the year the company made sales of goods and services on an arms length basis of £5,285,755 (1994: £5,388,907) to Heltor (Cornwall) Limited. Mr A D Kingdon, a director of this company, is also a director and shareholder of that company.

During 1995 the company purchased an investment property from Mr A D Kingdon, a director of this company for £240,000, which represented its open market value.

HELTOR LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

18. TRANSACTIONS WITH DIRECTORS (CONTINUED)

During the year the company made purchases of goods and services of £Nil (1994: £9,400) and made sales of goods of £2,891 (1994: £3,251) to Mr A D Kingdon, a director of this company. All transactions were carried out on an arms length basis.

During the year the company made sales of goods and services on an arms length basis of £41,257 (1994: £43,274) to Wessex Leyland Daf Limited and made purchases on an arms length basis of £181,784 (1994: £139,205) from the same company. Mr A D Kingdon, Mr N P Kingdon and Mr P J Kingdon, directors of this company are also directors and shareholders of that company.

During the year the company made sales of goods and services to Mr P J Kingdon of £1,867 (1994: £Nil) and to Mr N P Kingdon of £359 (1994: Nil). All transactions were carried out on an arms length basis and both Mr P J Kingdon and Mr N P Kingdon are directors of this company.

During the year the company made sales of goods and services of £5,239 (1994: £Nil) and purchases of £5,876 (1994: Nil) from Heathfield Rentals Limited. That company was a subsidiary of this company until 31 January 1995 when 49 of the 50 shares held were sold to Wessex Leyland Daf Limited, a company of which Mr A D Kingdon, Mr N P Kingdon and Mr P J Kingdon, directors of this company are also directors. The remaining share was sold to Mr N P Kingdon. All transactions were carried out at arms length.

During the year the company made sales of goods and services of £300 (1994: £Nil) to Heathfield Terminal Company Limited which is a subsidiary of this company. Mr A D Kingdon and Mr P J Kingdon, directors of this company are also directors of that company. All transactions were carried out at arms length.

At the balance sheet date the company was owed £4,931 (1994: £734) from Teigncrest International Limited, a company of which Mr P J Kingdon is also a director.

During the year the company advanced monies to Mr A D Kingdon for the purposes of general expenditure. The monies have been repaid since the balance sheet date. The maximum amount outstanding during the year was £307 which was also the amount outstanding at 31 August 1995.

During the year the company advanced monies to Mr P J Kingdon for the purposes of general expenditure. The monies have been repaid since the balance sheet date. The maximum amount outstanding during the year was £84 which was also the amount outstanding at 31 August 1995.

19. SUBSEQUENT EVENT

On 1 September 1995 the company acquired the business of Heltor (Cornwall) Limited for a consideration comprising preference shares and loan notes.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 1995 (CONTINUED)

20. PENSION COMMITMENTS

The group operates a defined contribution pension scheme for certain employees and directors of group companies.

The assets of the scheme are held separately from those of the group in a separately administered pension fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £19,856 (1994: £21,680).

21. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	1995 £	1994 £
Group		
(Loss)/profit for the financial year after taxation	(157,391)	84,939
Opening shareholders' funds	1,535,308	1,450,369
	<hr/>	<hr/>
Closing shareholders' funds	£1,377,917	£1,535,308
	<hr/>	<hr/>
Company		
Profit for the financial year after taxation	14,479	71,445
Opening shareholders' funds	1,377,885	1,306,440
	<hr/>	<hr/>
Closing shareholders' funds	£1,392,364	£1,377,885
	<hr/>	<hr/>