Bulkhaul Limited

Annual report and accounts

for the year ended 31 December 2000

Registered Number 1603021



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COMPANIES HOUSE 30/10/01

Bulkhaul Limited

Annual report and accounts

for the year ended 31 December 2000

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Bulkhaul Limited

Directors and advisors for the year ended 31 December 2000

Executive directors
S Gibson
M O'Neill
D B Beattie
S M Coleby
T Jackson
J G Trenholm

Secretary
T Jackson

Registered Office
Brignell Road
Riverside Park Industrial Estate
Middlesbrough
TS2 1PS

Auditors
PricewaterhouseCoopers
89 Sandyford Road
Newcastle upon Tyne
NE99 1PL

Solicitors
Addlestone Keane
Carlton Tower
34 St Pauls Street
Leeds
LS1 2QB

Bankers
Barclays Bank plc
Banco Popolare Commercio e Industrie
Bank of Tokyo/Mitsubishi
Deutsche Bank AG
Development Bank of Singapore
First Union Bank
Fortis Bank
Hanvit Bank
Korean Exchange Bank
Mees Pierson
Banco Real

Bulkhaul Limited

Directors' report for the year ended 31 December 2000

The directors present their report and the audited financial statements of the company for the year ended 31 December 2000.

Principal activities
The principal activity of the group continues to be the provision of international tank container services.

Review of business and future developments
The directors feel that the trading performance for the year and the year end financial position of the group was satisfactory.

It is the opinion of the directors that the progress and development of the group can be continued throughout the forthcoming year.

Results and dividends
The group profit for the year before taxation amounted to £11,445,510 (1999: £11,008,362).

The directors have paid an interim dividend of £104.00 (1999: £73.07) per share in respect of the year ended 31 December 2000. They recommend that no further dividend be declared in respect of the year.

Directors and their interests
The directors of the company at 31 December 2000, all of whom have been directors for the whole of the year ended on that date unless otherwise stated, were:

S Gibson (Chairman)
M O'Neill (Managing Director)
D B Beattie
S M Coleby
T Jackson
J G Trenholm

No director had any interest in the share capital of the company either at 31 December 2000 or at any time during the year ended at that date. The interests of the directors in The Gibson O'Neill Company Limited, the ultimate parent company, are disclosed in the financial statements of that company.

Research and development
The group continues to be involved in research and development activities in order to secure its position as a market leader in the international tank container market. Details of development expenditure are set out in note 11 to the financial statements.

Charitable donations
The donations made by the group during the year for charitable purposes amounted to £26,579 (1999: £27,221).

Bulkhaul Limited

Employees
Information on matters of concern to employees is communicated on a regular basis to seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

It is the group's policy that disabled people should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment wherever possible and will be given help with any necessary rehabilitation and retraining. The group is prepared to modify procedures or equipment, wherever this is practicable, so that full use can be made of an individuals abilities.

Statement of directors' responsibilities
Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2000 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors
The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



T Jackson
Secretary

24 October 2001

Bulkhaul Limited

Auditors' report to the members of Bulkhaul Limited

We have audited the financial statements on pages 5 to 27.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

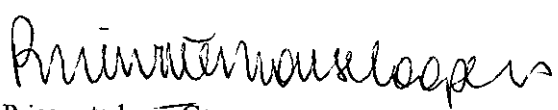
We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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 affairs of the company and the group at 31 December 2000 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Newcastle
24 October 2001

Bulkhaul Limited

Consolidated profit and loss account for the year ended 31 December 2000

	Note	2000	1999
		£	£
Turnover	1	**76,490,231**	69,585,859
Cost of sales		**(45,586,645)**	(40,653,668)
Gross profit		**30,903,586**	28,932,191
Other operating expenses	2	**(17,711,620)**	(16,509,616)
Operating profit		**13,191,966**	12,422,575
Share of operating profit of associates		**13,962**	20,615
Interest receivable and similar income	5	**108,586**	337,162
Interest payable and similar charges	6	**(1,869,004)**	(1,771,990)
Profit on ordinary activities before taxation	7	**11,445,510**	11,008,362
Taxation	8	**(4,893,664)**	(1,496,139)
Profit on ordinary activities after taxation		**6,551,846**	9,512,223
Dividend paid	10	**(2,600,000)**	(1,826,667)
Retained profit for the financial year	21	**3,951,846**	7,685,556

All of the group's operations are continuing.

The group has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

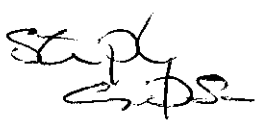
Bulkhaul Limited

Balance sheets as at 31 December 2000

	Note	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
Fixed assets					
Intangible assets	11	**78,421**	104,924	**59,724**	67,530
Tangible assets	12	**72,663,858**	63,423,862	**68,562,613**	59,275,382
Investments	13	**46,752**	45,175	**1,077,997**	1,059,908
		72,789,031	63,573,961	**69,700,334**	60,402,820
Current assets					
Stocks	14	**237,900**	196,911	**227,423**	190,246
Debtors: amounts falling due within one year	15	**16,650,681**	15,076,748	**19,134,797**	17,290,219
Cash at bank and in hand		**2,097,382**	2,332,454	**1,825,831**	2,061,586
		18,985,963	17,606,113	**21,188,051**	19,542,051
Creditors: amounts falling due within one year	16	**(30,390,113)**	(24,845,537)	**(30,786,825)**	(25,162,410)
Net current liabilities		**(11,404,150)**	(7,239,424)	**(9,598,774)**	(5,620,359)
Total assets less current liabilities		**61,384,881**	56,334,537	**60,101,560**	54,782,461
Creditors : amounts falling due after more than one year	17	**(18,411,964)**	(17,313,466)	**(17,966,335)**	(16,512,796)
Net assets		**42,972,917**	39,021,071	**42,135,225**	38,269,665
Capital and reserves					
Called up equity share capital	20	**25,000**	25,000	**25,000**	25,000
Capital reserve	21	**440**	440	**-**	-
Profit and loss account	21	**42,947,477**	38,995,631	**42,110,225**	38,244,665
Equity shareholders' funds	22	**42,972,917**	39,021,071	**42,135,225**	38,269,665

The financial statements on pages 5 to 27 were approved by the board of directors on 24 October 2001 and were signed on its behalf by:

S Gibson
Director



Bulkhaul Limited

Consolidated cash flow statement for the year ended 31 December 2000

	Note	2000	1999
		£	£
Net cash inflow from continuing operating activities	23	**17,705,945**	14,131,424
Returns on investments and servicing of finance			
Interest received		**108,647**	192,256
Interest paid		**(91,567)**	(185,651)
Interest paid on finance leases		**(1,767,389)**	(1,578,044)
Dividends received from associated companies		**-**	14,850
Net cash outflow from returns on investments and servicing of finance		**(1,750,309)**	(1,556,589)
Taxation			
UK corporation tax paid		**(1,754,122)**	(1,229,375)
Net overseas tax paid		**(52,017)**	(32,852)
Tax paid		**(1,806,139)**	(1,262,227)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		**(12,213,834)**	(12,934,253)
Sale of tangible fixed assets		**559,666**	301,559
Net cash outflow from capital expenditure		**(11,654,168)**	(12,632,694)
Acquisitions and disposals			
Purchase of investments		**-**	(75)
Sale of investments		**-**	25,000
Net cash inflow from acquisitions and disposals		**-**	24,925
Equity dividends paid		**(2,600,000)**	(1,826,667)
Net cash outflow before use of liquid resources and financing		**(104,671)**	(3,121,828)
Management of liquid resources			
Decrease in short term deposits with banks		**-**	3,400,000
Financing			
Inception of finance leases		**9,303,957**	8,069,625
Repayment of loans		**(490,356)**	(679,287)
Payment of principal under finance leases		**(8,967,987)**	(7,910,404)
Net cash outflow from financing		**(154,386)**	(520,066)
Decrease in cash	24	**(259,057)**	(241,894)

Bulkhaul Limited

Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

A summary of the more important group accounting policies, which have been applied consistently, is set out below.

Basis of accounting
The financial statements are prepared in accordance with the historical cost convention.

Basis of consolidation
The consolidated financial statements include the results of the company and its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal. Intra group sales and profits are eliminated fully on consolidation.

Associated undertakings
Associated undertakings are accounted for in the consolidated financial statements under the equity method of accounting.

Goodwill
Purchased goodwill, representing the excess of the purchase consideration given for subsidiaries acquired over the fair value ascribed to the net tangible assets at the date of acquisition, is included within intangible assets, and amortised over its useful economic life, which does not exceed 15 years. In accordance with the provisions of FRS 10 previously written off goodwill has not been reinstated onto the balance sheet, and would be written back to the profit and loss account in the event of a subsequent disposal.

Tangible fixed assets
The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition or their construction cost. Depreciation is calculated so as to write off the cost of fixed assets to their estimated residual values on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

	Estimated useful economic life
Long leasehold land	125 years
Buildings	50 years
Commercial vehicles and tanks	5 – 15 years
Motor vehicles	4 years
Fixtures and fittings	5 – 10 years

Long leasehold land and freehold buildings are amortised over the life as shown above or, if shorter, the year of the lease. Assets in the course of construction are not depreciated.

Bulkhaul Limited

Accounting policies

Development expenditure
Development expenditure relating to specific projects intended for commercial exploitation is carried forward where the ultimate commercial viability has been assessed with reasonable certainty. Such expenditure is amortised over the period expected to benefit. Expenditure on pure and applied research is written off as incurred.

Operating leases, hire purchase and finance lease agreements
Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the group substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as hire purchase and finance lease obligations. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting year. Assets held under hire purchase and finance lease agreements are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Cash at bank, overdrafts and bank loans
Cash at bank, overdrafts and bank loans are stated after adjusting for uncleared banking items.

Stocks
Stocks are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis. Where necessary, provision is made for obsolete, slow moving or defective stocks.

Deferred taxation
Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

Foreign currencies
Where overseas subsidiaries act as selling agents for the company the financial statements are translated to sterling on the following basis:

(a) Fixed assets are translated into sterling at the rates ruling on the date of acquisition as adjusted for any profits or losses from related financial instruments.

(b) Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the foreign exchange rates ruling at the balance sheet date.

(c) Revenue and expenses in foreign currencies are recorded in sterling at the rates ruling at the dates of the transactions.

(d) Any gains or losses arising on translation are reported as part of profit.

All other exchange differences are dealt with in the profit and loss account.

Pension costs
The group operates several defined contribution schemes. The employer's contributions are charged to the profit and loss account in the year in which the liability to pay arises.

Turnover
Turnover, which excludes value added tax, trade discounts and sales between group companies, represents the value of goods and services supplied.

Notes to the financial statements for the year ended 31 December 2000

1 Turnover

A segmental analysis of turnover and operating profit has not been given on the grounds that the directors consider that such disclosure would be seriously prejudicial to the interests of the group.

2 Other operating expenses

	2000	1999
	£	£
Administrative expenses	**18,195,754**	16,902,128
Less: other operating income	**(484,134)**	(392,512)
	17,711,620	16,509,616

3 Directors' emoluments

	2000	1999
	£	£
Fees for management services	**824,043**	822,301
Contributions to money purchase pension schemes	**76,773**	75,086
	900,816	897,387

Retirement benefits are accruing to 6 directors under money purchase pension schemes (1999: 6).

Included above are the following amounts paid to the highest paid director:

Highest paid director	2000	1999
	£	£
Aggregate emoluments	**188,611**	185,084
Contributions to money purchase pension schemes	**21,213**	20,736
	209,824	205,820

4 Employee information

The average number of persons (including executive directors) employed by the group during the year was:

	2000	1999
Office management	**179**	169
Drivers and mechanics	**188**	183
	367	352

Staff cost for the above persons comprise:

	2000	1999
	£	£
Wages and salaries	**7,714,025**	7,329,206
Social security costs	**794,449**	765,015
Other pensions costs (see note 19)	**491,910**	445,057
	9,000,384	8,539,278

5 Interest receivable and similar income

	2000	1999
	£	£
Interest receivable	**108,586**	177,872
Exchange gain on foreign currency loans	-	159,290
	108,586	337,162

6 Interest payable and similar charges

	2000	1999
	£	£
On bank loans, overdrafts and other loans	**82,917**	196,241
On finance leases and hire purchase contracts	**1,767,438**	1,575,749
Exchange loss on foreign currency loans	**18,649**	-
	1,869,004	1,771,990

7 Profit on ordinary activities before taxation

	2000	1999
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Foreign exchange profit	**(52,332)**	(286,142)
Development cost amortisation	**7,806**	17,280
Goodwill amortisation	**18,697**	18,697
Depreciation of tangible fixed assets		
- owned assets	**2,217,824**	2,079,620
- under finance leases	**1,945,350**	1,627,140
Auditors' remuneration for:		
- audit (company £20,200 (1999: £19,200))	**21,000**	20,000
- other services to the group	**8,900**	13,230
Hire of plant and machinery – operating leases	**1,547,820**	1,959,112
Loss/(profit) on disposal of tangible fixed assets	**13,415**	(25,131)
Profit on disposal of investments	**-**	(14,589)

8 Tax on profit on ordinary activities

	2000	1999
	£	£
Taxation on the profit for the year		
UK corporation tax at 30% (1999: 30.25%)		
- current	**4,340,000**	1,425,000
- prior	**477,726**	(244)
Overseas taxation charge:		
- current	**70,995**	55,422
- prior	**2,008**	10,547
Tax credits on franked investment income	**-**	3,712
	4,890,729	1,494,437
Associated undertakings	**2,935**	1,702
	4,893,664	1,496,139

The tax charge for the year has been affected by the level of capital allowances claimed.

9 Profit for the financial year

As permitted by s230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The holding company's profit for the financial year was £6,465,560 (1999: £9,073,205).

10 Dividends

	2000	1999
	£	£
Ordinary		
Interim paid of £104.00 per share (1999: £73.07 per share)	**2,600,000**	1,826,667

11 Intangible fixed assets

	Company and group	Group	
	Development costs	Goodwill	Total
	£	£	£
Cost			
At 1 January 2000 and 31 December 2000	**147,350**	**280,456**	**427,806**
Amortisation			
At 1 January 2000	79,820	243,062	322,882
Charge for the year	7,806	18,697	26,503
At 31 December 2000	**87,626**	**261,759**	**349,385**
Net book amount			
At 31 December 2000	**59,724**	**18,697**	**78,421**
At 31 December 1999	67,530	37,394	104,924

Development costs relate to a project to manufacture demountable tank containers. The production of tank containers commenced in 1995 and the related development expenditure is being written off over the period expected to benefit.

12 Tangible fixed assets

Group

	Long leasehold land and freehold buildings	Commercial vehicles and tanks	Motor vehicles	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£	£
Cost						
At 1 January 2000	7,818,851	67,836,118	1,437,315	3,840,926	649,986	81,583,196
Additions	76,759	13,049,257	94,604	248,557	507,074	13,976,251
Disposals	-	(1,989,441)	(67,134)	(8,971)	-	(2,065,546)
Transfer	-	649,986	-	-	(649,986)	-
At 31 December 2000	**7,895,610**	**79,545,920**	**1,464,785**	**4,080,512**	**507,074**	**93,493,901**
Depreciation						
At 1 January 2000	823,618	14,401,977	495,488	2,438,251	-	18,159,334
Charge for the year	213,313	3,251,200	274,677	423,984	-	4,163,174
Eliminated in respect of disposals	-	(1,449,779)	(33,715)	(8,971)	-	(1,492,465)
At 31 December 2000	**1,036,931**	**16,203,398**	**736,450**	**2,853,264**	**-**	**20,830,043**
Net book amount						
At 31 December 2000	**6,858,679**	**63,342,522**	**728,335**	**1,227,248**	**507,074**	**72,663,858**
At 31 December 1999	6,995,233	53,434,141	941,827	1,402,675	649,986	63,423,862

The net book value of tangible fixed assets included an amount of £42,168,015 (1999: £36,231,777) in respect of assets held under finance leases and hire purchase contracts.

Long leasehold land and freehold buildings includes long leasehold land with a net book value of £289,511 (1999: £292,097).

Company

	Long leasehold land and freehold buildings	Commercial vehicles and tanks	Motor vehicles	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£	£
Cost						
At 1 January 2000	4,083,672	67,822,782	1,211,370	3,221,283	649,986	76,989,093
Additions	-	13,049,257	16,305	124,462	507,074	13,697,098
Disposals	-	(1,989,441)	(22,256)	-	-	(2,011,697)
Transfer	-	649,986	-	-	(649,986)	-
At 31 December 2000	**4,083,672**	**79,532,584**	**1,205,419**	**3,345,745**	**507,074**	**88,674,494**
Depreciation						
At 1 January 2000	727,408	14,388,641	410,410	2,187,252	-	17,713,711
Charge for the year	74,068	3,251,201	221,130	315,807	-	3,862,206
Eliminated in respect of disposals	-	(1,449,779)	(14,257)	-	-	(1,464,036)
At 31 December 2000	**801,476**	**16,190,063**	**617,283**	**2,503,059**	**-**	**20,111,881**
Net book amount						
At 31 December 2000	**3,282,196**	**63,342,521**	**588,136**	**842,686**	**507,074**	**68,562,613**
At 31 December 1999	3,356,264	53,434,141	800,960	1,034,031	649,986	59,275,382

The net book value of tangible fixed assets included an amount of £42,094,929 (1999: £36,212,566) in respect of assets held under finance leases and hire purchase contracts.

Long leasehold land and freehold buildings includes long leasehold land with a net book value of £289,511 (1999: £292,097).

13 Fixed asset investments

Group

	Associated undertakings
	£
Cost or valuation	
At 1 January 2000	45,175
Share of retained profit	1,577
At 31 December 2000	**46,752**

Company

	Interest in group undertakings	Other investments	Total
	£	£	£
Cost or valuation			
At 1 January 2000	1,463,209	8,440	1,471,649
Additions	18,089	-	18,089
At 31 December 2000	**1,481,298**	**8,440**	**1,489,738**
Amounts written off			
At 1 January 2000 and 31 December 2000	409,361	2,380	411,741
Net book value			
At 31 December 2000	**1,071,937**	**6,060**	**1,077,997**
At 31 December 1999	1,053,848	6,060	1,059,908

Bulkhaul Limited

Interests in group undertakings

Name of undertaking	Country of incorporation or registration	Proportion of nominal value of issued shares held %	Activity
Held by the company:			
Bulkhaul International Limited	England and Wales	100	Holding company
Bulkhaul Belgium NV	Belgium	100	Tank container services
Bulkhaul (Italia) SRL	Italy	100	Tank container services
Bulkhaul (Singapore) PTE Limited	Singapore	100	Tank container services
Bulkhaul Korea Co Ltd	Korea	100	Tank container services
Bulkhaul Japan KK	Japan	100	Tank container services
Bulkhaul Brasil Ltda	Brazil	100	Tank container services
Teesside Leasing Limited	England and Wales	100	Dormant
Teesside Transport Services Limited	England and Wales	51	Dormant
Held by subsidiaries:			
Bulkhaul (Germany) GmbH	Germany	100	Tank container services
Bulkhaul (USA) Incorporated	USA	100	Tank container services

Associated undertakings

Name of undertaking	Country of incorporation or registration	Proportion of nominal value of ordinary shares held %	Accounting year end
Teesside Insurance Consultants Limited	England and Wales	30	31 December
Teesside Financial Services Limited	England and Wales	30	31 December

Teesside Insurance Consultants Limited provides insurance services.

Teesside Financial Services Limited provides financial services.

Equity capital of all the above investments are in ordinary shares.

14 Stocks

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
Raw materials and consumables	**237,900**	196,911	**227,423**	190,246

15 Debtors

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
Trade debtors	**14,333,095**	13,817,191	**14,333,095**	13,817,191
Amounts owed by parent, fellow subsidiaries and subsidiary undertakings	**70,700**	102,551	**2,717,897**	2,553,539
Other debtors	**1,217,306**	778,514	**1,086,114**	647,842
Prepayments and accrued income	**1,029,580**	378,492	**997,691**	271,647
	16,650,681	15,076,748	**19,134,797**	17,290,219

16 Creditors – Amounts falling due within one year

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
Bank loans, overdrafts and other loans	**519,717**	476,122	**148,985**	125,000
Hire purchase and finance lease obligations	**8,708,195**	8,199,623	**8,680,946**	8,195,180
Trade creditors	**8,982,409**	8,194,883	**8,949,227**	8,115,532
Amounts owed to parent, fellow subsidiaries and subsidiary undertakings	**3,846,142**	-	**4,992,805**	988,604
Corporation tax	**86,277**	568,404	**86,277**	568,404
Overseas taxation payable	**56,634**	47,798	**-**	-
Other taxation and social security	**278,206**	260,878	**250,065**	265,617
Other creditors	**646,877**	639,003	**522,523**	546,561
Accruals and deferred income	**7,265,656**	6,458,826	**7,155,997**	6,357,512
	30,390,113	24,845,537	**30,786,825**	25,162,410

17 Creditors – Amounts falling due after more than one year

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
Bank loans and other loans	**547,303**	1,040,137	**125,000**	250,000
Hire purchase and finance lease obligations	**17,864,661**	16,273,329	**17,841,335**	16,262,796
	18,411,964	17,313,466	**17,966,335**	16,512,796

Bank loans, overdrafts and other loans
Bank loans, overdrafts and other loans are repayable as follows:

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
One year or less or on demand	**519,717**	476,122	**148,985**	125,000
Between one and two years	**514,055**	494,377	**125,000**	125,000
Between two and five years	**33,248**	545,760	**-**	125,000
	1,067,020	1,516,259	**273,985**	375,000

The main loans carry fixed interest rates of between 4.75% and 10% and variable rates of between 0.75% and 1.75% above the base rate. These loans are repayable over periods varying from 3 to 5 years.

Hire purchase and finance lease obligations
The net hire purchase and finance lease obligations to which the group and the company are committed are as follows:

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
In one year or less	**8,708,195**	8,199,623	**8,680,946**	8,195,180
Between one and five years	**17,864,661**	16,273,329	**17,841,335**	16,262,796
	26,572,856	24,472,952	**26,522,281**	24,457,976

18 Deferred taxation

On the basis of the group's planned capital expenditure over the next three years, the amount of capital allowances in respect of eligible additions will exceed the charge for depreciation on existing and new assets on which allowances are claimed. In accordance with the company's stated accounting policy, deferred tax is not being provided in respect of such timing differences. The unprovided liability for deferred tax which relates to capital allowances at 31 December 2000 amounts to £7,550,169 (1999: £9,172,855).

19 Pension and similar commitments

The group operates one self-administered money purchase pension scheme and four fully insured money purchase pension schemes. These are defined contribution pension schemes. The group has no liability other than to pay the employer's contributions to this scheme. The total pension cost for the group was £491,910 (1999: £445,057).

20 Called up equity share capital

Group and company	2000	1999
	£	£
Authorised		
25,000 (1999: 25,000) ordinary shares of £1 each	**25,000**	25,000
Allotted, called up and fully paid		
25,000 (1999: 25,000) ordinary shares of £1 each	**25,000**	25,000

21 Reserves

Group

	Capital reserve	Profit and loss account
	£	£
At 1 January	440	38,995,631
Retained profit for the financial year	-	3,951,846
At 31 December	**440**	**42,947,477**

Company

	Profit and loss account
	£
At 1 January 2000	38,244,665
Retained profit for the financial year	3,865,560
At 31 December 2000	**42,110,225**

22 Reconciliation of movements in group equity shareholders' funds

	2000	1999
	£	£
Profit for the financial year	**6,551,846**	9,512,223
Dividends	**(2,600,000)**	(1,826,667)
	3,951,846	7,685,556
Opening equity shareholders' funds	**39,021,071**	31,335,515
Closing equity shareholders' funds	**42,972,917**	39,021,071

23 Reconciliation of operating profit to net cash inflow from operating activities

	2000	1999
	£	£
Operating profit	**13,191,966**	12,422,575
Amortisation of intangible fixed assets	**26,503**	35,977
Depreciation on tangible fixed assets	**4,163,174**	3,706,760
Loss(profit) on sale of tangible fixed assets	**13,415**	(25,131)
Profit on sale of investments	**-**	(14,589)
Increase in stocks	**(40,989)**	(43,052)
Increase in debtors	**(1,564,483)**	(3,669,881)
Increase in creditors	**1,916,359**	1,718,765
Net cash inflow from continuing operations	**17,705,945**	14,131,424

24 Reconciliation of net cash flow to movement in net debt

	2000	1999
	£	£
Decrease in cash	**(259,057)**	(241,894)
Cash flow from movement in debt and lease financing	**154,386**	520,066
Cash flow from (decrease)/increase in liquid resources	**-**	(3,400,000)
Change in net debt resulting from cash flows	**(104,671)**	(3,121,828)
New finance leases	**(1,762,417)**	(1,242,360)
Adjustment for exchange rate movements	**(18,649)**	159,290
Movement in net debt	**(1,885,737)**	(4,204,898)
Net debt at 1 January 2000	**(23,656,757)**	(19,451,859)
Net debt at 31 December 2000	**(25,542,494)**	(23,656,757)

25 Analysis of changes in net debt

	At 1 January 2000	Cash flow	Other non cash changes	Exchange movement	At 31 December 2000
	£	£	£	£	£
Net cash					
Cash at bank and in hand	2,332,454	(235,072)	-	-	**2,097,382**
Bank overdrafts	-	(23,985)	-	-	**(23,985)**
	2,332,454	(259,057)	-	-	**2,073,397**
Debt					
Finance leases	(24,472,952)	(335,970)	(1,762,417)	(1,517)	**(26,572,856)**
Loans	(1,516,259)	490,356	-	(17,132)	**(1,043,035)**
	(25,989,211)	154,386	(1,762,417)	(18,649)	**(27,615,891)**
Net debt	(23,656,757)	(104,671)	(1,762,417)	(18,649)	**(25,542,494)**
Analysed in balance sheet					
Cash at bank and in hand	2,332,454				**2,097,382**
Bank loans/overdrafts payable within one year	(476,122)				**(519,717)**
Bank loans/overdrafts payable after one year	(1,040,137)				**(547,303)**
Finance leases payable within one year	(8,199,623)				**(8,708,195)**
Finance leases payable after one year	(16,273,329)				**(17,864,661)**
At 31 December 2000	(23,656,757)				**(25,542,494)**

26 Capital and other commitments

	Group		Company	
	2000	1999	**2000**	1999
	£	£	**£**	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	**694,860**	2,151,080	**694,860**	2,151,080

27 Financial commitments

At 31 December 2000 the group and company had no annual commitments under non-cancellable operating leases (1999: £Nil).

28 Ultimate parent undertaking

The directors regard The Gibson O'Neill Company Limited, as the ultimate parent undertaking. According to the register kept by the company, The Gibson O'Neill Company Limited has a 100% interest in the equity share capital of Bulkhaul Limited. Copies of the parent's consolidated financial statements may be obtained from The Secretary, The Gibson O'Neill Company Limited, Brignell Road, Riverside Park Industrial Estate, Middlesbrough, TS2 1PS.

29 Ultimate controlling party

The directors regard Mr S Gibson, the chairman of the company as the ultimate controlling party by virtue of his 75% interest in the equity capital of The Gibson O'Neill Company Limited.

30 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard No. 8 "Related Party Disclosures" from the requirement to disclose transactions with its parent and fellow subsidiary undertakings.

31 Contingent liabilities

Bulkhaul Limited has guaranteed bank and other borrowings of other group undertakings amounting to £13,193,035 (1999: £7,362,880).