J Medler Haulage Co Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2004



Company Registration No. 2994521

J Medler Haulage Co Limited
DIRECTORS AND OFFICERS

DIRECTORS

D Medler
CA Medler

SECRETARY

JWW Medler

COMPANY NUMBER

2994521 (England and Wales)

REGISTERED OFFICE

Fircovert Road
Felthorpe
Norwich
NR10 4DT

ACCOUNTANTS

Baker Tilly
7 The Close
Norwich
NR1 4DP

J Medler Haulage Co Limited
DIRECTORS' REPORT

The directors present their report and financial statements of J Medler Haulage Co Limited for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The company's principal activity is that of haulage contractors.

DIRECTORS

The following directors have held office since 1 April 2003:

D Medler
CA Medler

DIRECTORS' INTERESTS IN SHARES

	Ordinary shares of £ 1 each	
	31.3.04	1.4.03
D Medler	60	60
CA Medler	40	40

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

D Medler
Director

8 October 2004

J Medler Haulage Co Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2004

	Notes	2004 £	2003 £
Turnover		2,044,087	1,898,045
Cost of sales		1,733,103	1,618,866
Gross profit		310,984	279,179
Other operating expenses (net)	1	166,102	164,072
OPERATING PROFIT		144,882	115,107
Investment income	2	1,217	826
		146,099	115,933
Interest payable	3	19,756	20,523
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	126,343	95,410
Taxation	6	25,818	16,873
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	100,525	78,537

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

J Medler Haulage Co Limited

BALANCE SHEET

31 March 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	8	704,929	639,744
Investments	9	100	100
		705,029	639,844
CURRENT ASSETS			
Stocks		17,431	36,176
Debtors	10	398,589	347,396
Cash at bank and in hand		257,526	160,720
		673,546	544,292
CREDITORS: Amounts falling due within one year	11	453,137	427,121
NET CURRENT ASSETS		220,409	117,171
TOTAL ASSETS LESS CURRENT LIABILITIES		925,438	757,015
CREDITORS: Amounts falling due after more than one year	12	(233,638)	(173,352)
PROVISIONS FOR LIABILITIES AND CHARGES	13	(39,208)	(31,596)
		652,592	552,067
CAPITAL AND RESERVES			
Called up share capital	14	100	100
Profit and loss account	15	652,492	551,967
SHAREHOLDERS' FUNDS	16	652,592	552,067

In preparing these financial statements:

(a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;

(b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and

(c) The directors acknowledge their responsibilities for:

  (i) ensuring that the company keeps accounting records which comply with Section 221 of the 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 8 October 2004

D Medler  Director

J Medler Haulage Co Limited
ACCOUNTING POLICIES

BASIS OF ACCOUNTING
The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller entities (effective June 2002) and under the historical cost convention.

GOODWILL
Goodwill arising on an acquisition of a trade undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life which ranges from 0 to 20 years.

Impairment tests on the carrying value of goodwill are undertaken:

-at the end of the first full financial year following acquisition.

-in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

TANGIBLE FIXED ASSETS
Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Plant and machinery	10% to 25% per annum

INVESTMENTS
Fixed asset investments are stated at cost less provision for diminution in value.

STOCK
Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

DEFERRED TAXATION
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient profits in the future to absorb the reversal of underlying timing differences.

Deferred tax balances are not discounted.

LEASED ASSETS AND OBLIGATIONS
Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the fair value of the asset. The corresponding leasing commitments are shown asamounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases.Their annual returns are charged to the profit and loss account on a straight-line basis over the term of the lease.

PENSIONS CONTRIBUTIONS
Contributions to the company's defined contribution scheme are charged to the profit and loss account in the year in which they become payable.

TURNOVER
Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

1. OTHER OPERATING EXPENSES (NET)

	2004	2003
	£	£
Administrative expenses	191,302	186,452
Other operating income	(25,200)	(22,380)
	166,102	164,072

2. INVESTMENT INCOME

	2004	2003
	£	£
Bank interest	1,217	826

3. INTEREST PAYABLE

	2004	2003
	£	£
Interest payable includes the following:		
Hire purchase interest	19,756	18,326

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004	2003
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible assets:		
Charge for the year:		
owned assets	92,100	106,568
leased assets	91,805	91,063
(Profit)/loss on disposals	(10,000)	5,293
Auditors' remuneration	-	4,800

5. DIRECTORS' REMUNERATION

	2004	2003
	£	£
Amounts paid to directors	46,782	46,075

6. TAXATION	2004	2003
	£	£
Domestic current year tax		
U.K. corporation tax	17,588	17,067
Adjustment for prior years	618	4,448
Current tax charge	18,206	21,515
Deferred tax		
Origination and reversal of timing differences	7,612	(194)
Deferred tax adjustments arising in previous periods	-	(4,448)
	7,612	(4,642)
	25,818	16,873
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	126,343	95,410
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 19.00% (2003: 19.00%)	24,005	18,128
Effects of:		
Non deductible expenses	1,178	335
Capital allowances in excess of depreciation	(7,595)	(1,390)
Adjustments to previous periods	618	4,448
Movement in provisions	-	(6)
Other tax adjustments	-	-
	(5,799)	3,387
Current tax charge	18,206	21,515

7. INTANGIBLE FIXED ASSETS	*Goodwill*
	£
Cost	
1 April 2003 and 31 March 2004	50,000
Amortisation	
1 April 2003 and 31 March 2004	50,000
Net book value	
1 April 2003 and 31 March 2004	-

8. TANGIBLE FIXED ASSETS

	Plant and machinery £
Cost	
1 April 2003	1,783,398
Additions	249,089
Disposals	(165,145)
31 March 2004	1,867,342
Depreciation	
1 April 2003	1,143,654
Charge in the year	183,904
Disposals	(165,145)
31 March 2004	1,162,413
Net book value	
31 March 2004	704,929
31 March 2003	639,744

The net book value of plant and machinery includes £422,329 (2003- £307,375) in respect of assets held under finance leases.

9. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost	
1 April 2003 and 31 March 2004	100

10. DEBTORS

	2004 £	2003 £
Due within one year:		
Trade debtors	373,766	325,005
Other debtors	24,823	22,391
	398,589	347,396

Included within other debtors is £221 (2003:£207) in respect of pension contributions.

11. CREDITORS: Amounts falling due within one year	2004	2003
	£	£
Bank overdraft	2,933	-
Obligations under finance lease and hire purchase contracts	107,768	89,183
Trade creditors	137,099	117,299
Corporation tax	17,588	21,515
Other taxes and social security costs	85,228	73,886
Other creditors	102,521	125,238
	453,137	427,121

12. CREDITORS: Amounts falling due in more than one year	2004	2003
	£	£
Obligations under finance leases and hire purchase agreements	233,638	173,352

	2004	2003
	£	£
Obligations under finance leases and hire purchase contracts:		
Repayable within one year	107,768	89,183
Repayable between two and five years	233,638	173,352
	341,406	262,535
	341,406	262,535
Included in current liabilities	(107,768)	(89,183)
	233,638	173,352

13. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
Balance at 1 April 2003	31,596
Transfer from profit and loss account	7,612
Balance at 31 March 2004	39,208

Deferred taxation provided in the financial statements is as follows:

	2004 £	2003 £
Excess of tax allowances over depreciation	39,168	31,556
Other timing differences	40	40
	39,208	31,596

14. SHARE CAPITAL

	2004 £	2003 £
Authorised:		
100 Ordinary shares of £1 each	100	100
Allotted, issued and fully paid:		
100 Ordinary shares of £1 each	100	100

15. STATEMENT OF MOVEMENT ON RESERVES

	Profit and loss account £
1 April 2003	551,967
Retained profit for the year	100,525
31 March 2004	652,492

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit for the financial year	100,525	78,537
Opening shareholders' funds	552,067	473,530
Closing shareholders' funds	652,592	552,067

17. CAPITAL COMMITMENTS

	2004	2003
	£	£
Capital expenditure contracted for but not provided in the financial statements	279,900	-

At the year end J Medler Haulage Company Limited had the following capital committments:

Order of three trailers at a cost of £15,500 each totalling £46,500

Order of three rigid body trucks at a cost of £77,800 each totalling £233,400.

18. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

DEFINED CONTRIBUTION

	2004	2003
	£	£
Contributions payable by the company for the year	4,694	4,171

19. RELATED PARTY TRANSACTIONS

Controlling parties

The company is controlled by D Medler, the majority shareholder.

Related party transactions and balances

During the year the company entered into sales transactions amounting to £681,029 (2003:£688,131) with J Medler Limited, a company in which D Medler is a director. The net amount owed by J Medler Limited as at 31 March 2004 is £62,854 (2003: £58,709).

J Melder Haulage Company Limited charged J Medler Limited £25,200 (2003: £22,380) for services provided and paid £8,400 (2003: £7,200) for services received. At the year end the company was owed £4,200 (2003: £3,500) for services provided.

Loans and transactions concerning directors and officers of the company

The directors operate loan accounts with the company which are always in credit. At the year end the balances owed to the directors were; D Medler £40,153 (2003: £53,965), C Medler £1,084 (2003: £3,949).

The directors have also given unlimited personal guarantees in respect of the company's bank overdraft.

The company repaid a loan of £18,000 to JWW Medler, the Company Secretary in the year. Interest was paid at a rate of 7% and amounted to £368 (2003: £2,129). The loan was secured by a fixed charge over two of the company's motor vehicles.