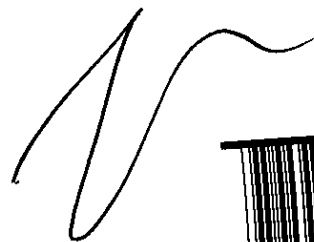


**John Hunter & Sons
(Transport) Limited**

**Directors' report and accounts
for the year ended 31 May 2000**

26681



John Hunter & Sons (Transport) Limited

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John Hunter & Sons (Transport) Limited

Company information

Directors	HBS Lawson (Chairman) HS Lawson
Secretary	HS Lawson
Registered office	Baluniefield Depot Balunie Drive Broughty Ferry Dundee DD4 8UU
Auditors	Henderson Loggie Chartered Accountants Royal Exchange Dundee DD1 1DZ
Bankers	Clydesdale Bank plc 92 High Street Dundee DD1 9DD
Registered number	26681

John Hunter & Sons (Transport) Limited

Directors' report

The directors have pleasure in submitting their annual report and accounts for the year ended 31 May 2000.

Activity and review of business

The company did not trade during the year.

Directors

The directors of the company at the date of this report and throughout the year are shown on page 1.

The interest of Mr HS Lawson in the share capital of the holding company, Harry Lawson Limited, is disclosed in the company's directors' report.

The director retiring by rotation is Mr HBS Lawson who, being eligible, offers himself for re-election.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Henderson Loggie as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



HS Lawson
Secretary

29 September 2000

John Hunter & Sons (Transport) Limited

Directors' responsibilities for the preparation of accounts

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; and
- prepare the accounts on the 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.

John Hunter & Sons (Transport) Limited

Report of the auditors to the shareholders of John Hunter & Sons (Transport) Limited

We have audited the accounts on pages 5 and 6

Respective responsibilities of the directors and auditors

As described on page 3 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 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 made 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.

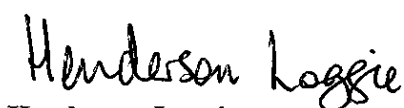
Fundamental uncertainty

In forming our opinion we have considered the adequacy of the disclosures made in note 1 of the accounts concerning the continuing support of the company's parent company.

In view of the significance of the fact that the preparation of the accounts on the going concern basis assumes that the company will continue to be supported by the parent company we consider that these disclosures should be brought to your attention. Our opinion is not qualified in this respect.

Opinion

There were no transactions on revenue account during the year and in our opinion the balance sheet gives a true and fair view of the state of the company's affairs as at 31 May 2000 and has been properly prepared in accordance with the Companies Act 1985.



Henderson Loggie
Chartered Accountants
Registered Auditors
Dundee

29 September 2000

John Hunter & Sons (Transport) Limited

Balance sheet at 31 May 2000

	Note	2000 £	1999 £
Creditors			
Amounts falling due within one year	3	<u>(10,562)</u>	<u>(10,562)</u>
Capital and reserves			
Called up share capital	4	20,000	20,000
Profit and loss account		<u>(30,562)</u>	<u>(30,562)</u>
Shareholders' funds		<u>(10,562)</u>	<u>(10,562)</u>

These accounts were approved by the board of directors on 29 September 2000 and were signed on its behalf by:



HS Lawson
Director

John Hunter & Sons (Transport) Limited

Notes to the accounts

1 Accounting policies

Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. These accounts have been prepared on a going concern basis. The validity of this assumption is dependent upon the continuing financial support from the holding company. The holding company has stated that it will continue to provide support for the foreseeable future.

2 Profit and loss account

During the financial year the company did not trade and received no income and incurred no expenditure. Consequently, during the year the company made neither a profit nor a loss.

3 Creditors

	2000 £	1999 £
Due within one year:		
Amount owed to parent company	<u>10,562</u>	<u>10,562</u>

4 Called up share capital

Authorised, allotted, called up and fully paid

20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
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5 Holding company

The company is a wholly-owned subsidiary of Harry Lawson Limited, a company registered in Scotland and incorporated in Great Britain.

6 Guarantees

There is a cross guarantee between John Hunter & Sons (Transport) Limited, Harry Lawson Limited, Lawson Trailer Rentals and all other subsidiaries of Lawson Trailer Rentals and Harry Lawson Limited. The company has also granted a bond and floating charge over its assets to the Clydesdale Bank plc.