

122 REGISTERED

NORTRUCK SERVICES LIMITED
Company Number 87421

ABBREVIATED ANNUAL REPORT

Year ended 31st March 1995



12



NORTRUCK SERVICES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:

R.W. Cameron
R.G.McK. Auld
D.M. Clark
D.W. McIntosh

SECRETARY:

J.C. Chisholm
2 Bon-Accord Crescent
Aberdeen
AB1 2DH

AUDITORS:

James Milne & Co
Chartered Accountants
5 Bon-Accord Square
Aberdeen
AB9 1XR

SOLICITORS:

Storie Cruden & Simpson
2 Bon-Accord Crescent
Aberdeen
AB1 2DH

BANKERS:

Bank of Scotland
53 Castle Street
Aberdeen
AB9 8AJ

REGISTERED OFFICE:

2 Bon-Accord Crescent
Aberdeen
AB1 2DH

COMPANY NUMBER:

87421

NORTRUCK SERVICES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the company for the year ended 31st March 1995.

Principal activity

The principal activity of the company is the sale and servicing of commercial vehicles together with a full parts distribution service, operating under a distributor's agreement with Seddon Atkinson Limited.

Review of the business

The company has enjoyed a successful year with a significant increase in turnover in all departments. Sales of commercial vehicles have improved, although the market continues to be very competitive and price conscious. However, the increase in the range of vehicles available from Seddon Atkinson should assist in obtaining future business for this department.

In the absence of unforeseen circumstances, the directors look forward to a further improvement in profitability in the current year.

Results and appropriations

The results for the year are set out in detail on page 6.

The directors recommend that no dividend be paid for the year, leaving profits after tax amounting to £85,710 to be added to reserves.

Fixed assets

The company expended £73,641 (1994 - £17,570) during the year on fixed assets, mainly on the upgrading of the vehicle fleet, as detailed in note 6 to the financial statements.

Directors and their interests

The directors who served during the year had interests in the shares of the company as follows -

	<u>Ordinary Shares of £1 each</u>	
	<u>At 31st March</u>	
	<u>1995</u>	<u>1994</u>
R.W. Cameron	15,000	15,000
D.W. McIntosh	10,000	10,000

In addition, through interests in another company, R.G.McK. Auld and D.M. Clark jointly had an interest in 13,000 shares at both dates.

Auditors/

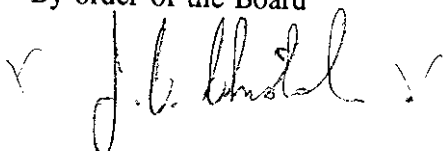
NORTRUCK SERVICES LIMITED

DIRECTORS' REPORT (contd.)

Auditors

Messrs James Milne & Co., Chartered Accountants, have expressed their willingness to continue in office and a resolution dealing with their reappointment will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in dark ink, appearing to read 'J.C. Chisholm', is written over the typed name. The signature is fluid and cursive, with a large initial 'J' and a long, sweeping underline.

J.C. CHISHOLM

Secretary

30th November 1995

NORTRUCK SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements the directors are required to:

- (a) select suitable accounting policies and apply them on a consistent basis;
- (b) make judgments and estimates that are prudent and reasonable;
- (c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for keeping proper accounting records, for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



R.W. CAMERON

Director

30th November 1995

AUDITORS' REPORT TO THE DIRECTORS OF
NORTRUCK SERVICES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 6 to 16 together with the full financial statements of Nortruck Services Limited for the year ended 31st March 1995. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 7 and that the abbreviated financial statements have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act in respect of the year ended 31st March 1995, and the abbreviated financial statements on pages 6 to 16 have been properly prepared in accordance with that Schedule.

On 30th November 1995 we reported, as auditors of Nortruck Services Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1995, and our audit report was as follows:

"We have audited the financial statements on pages 6 to 16 which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

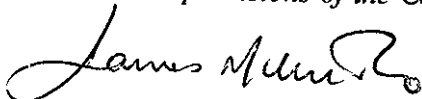
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgments 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, error or other irregularity. 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 the company's affairs at 31st March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985. "



JAMES MILNE & CO

Chartered Accountants and
Registered Auditors

5 Bon-Accord Square
Aberdeen AB9 1XR

30th November 1995



NORTRUCK SERVICES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31st March 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
GROSS PROFIT		536,682	485,938
Administrative expenses		400,313	335,849
OPERATING PROFIT	2/3	136,369	150,089
Interest payable	4	21,590	21,286
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		114,779	128,803
Tax on profit on ordinary activities	5	29,069	34,257
PROFIT FOR THE FINANCIAL YEAR	13	85,710	94,546

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

NORTRUCK SERVICES LIMITED

BALANCE SHEET

at 31st March 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible assets	6	118,339	71,033
CURRENT ASSETS			
Stocks	7	875,651	478,253
Debtors	8	771,158	636,127
Cash in hand		750	600
		<u>1,647,559</u>	<u>1,114,980</u>
CREDITORS - Amounts falling due within one year	9	<u>1,262,839</u>	<u>770,912</u>
NET CURRENT ASSETS		<u>384,720</u>	<u>344,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		503,059	415,101
CREDITORS - Amounts falling due after more than one year	10	<u>(7,276)</u>	<u>(5,028)</u>
NET ASSETS		<u>495,783</u>	<u>410,073</u>
CAPITAL AND RESERVES			
Called up share capital	12	38,000	38,000
Share premium account	13	5,000	5,000
Profit and loss account	13	452,783	367,073
SHAREHOLDERS' FUNDS	14	<u>495,783</u>	<u>410,073</u>

In preparing these abbreviated financial statements advantage has been taken of the exemptions conferred by Section B of Part III of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to these exemptions as a medium-sized company.

The financial statements on pages 6 to 16 were approved by the board of directors on 30th November 1995.



R.W. CAMERON

Director

NORTRUCK SERVICES LIMITED

CASH FLOW STATEMENT

for the year ended 31st March 1995

	<u>1995</u>	<u>1994</u>
	£	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(115,013)	164,009
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(21,590)	(21,286)
Dividend paid	-	(23,000)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(21,590)	(44,286)
TAXATION		
Corporation tax paid (including advance corporation tax)	(27,579)	(29,197)
INVESTING ACTIVITIES		
Acquisition of tangible fixed assets	(104,258)	(32,566)
Disposal of tangible fixed assets	30,617	14,996
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(73,641)	(17,570)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(237,823)	72,956
FINANCING		
Hire purchase and lease finance received	35,369	11,710
Hire purchase and lease finance repaid	(26,600)	(22,010)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	8,769	(10,300)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(229,054)	62,656

NORTRUCK SERVICES LIMITED

NOTES TO THE CASH FLOW STATEMENT

for the year ended 31st March 1995

**1. RECONCILIATION OF OPERATING PROFIT TO NET
CASH FLOW FROM OPERATING ACTIVITIES**

	<u>1995</u>	<u>1994</u>
	£	£
Operating profit	136,369	150,089
Depreciation	36,950	30,854
Profit on sale of tangible fixed assets	(10,615)	(1,839)
(Increase)/decrease in stocks and work in progress	(397,398)	279,385
(Increase)/decrease in debtors	(135,031)	107,413
Increase/(decrease) in creditors	254,712	(401,893)
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>(115,013)</u>	<u>164,009</u>

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

	<u>1995</u>	<u>1994</u>
	£	£
Balance at 1st April 1994	(173,090)	(235,746)
Net cash (outflow)/inflow	<u>(229,054)</u>	<u>62,656</u>
Balance at 31st March 1995	<u>(402,144)</u>	<u>(173,090)</u>

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

	<u>1995</u>	<u>1994</u>	<u>Change</u>
	£	£	in year
			£
Cash in hand	750	600	150
Bank overdraft	(402,894)	(173,690)	(229,204)
	<u>(402,144)</u>	<u>(173,090)</u>	<u>(229,054)</u>

**4. ANALYSIS OF CHANGES IN FINANCING
DURING YEAR**

	<u>Hire Purchase and</u>	
	<u>Lease Finance</u>	
	<u>1995</u>	<u>1994</u>
	£	£
At 1st April 1994	15,222	25,522
Finance received	35,369	11,710
Finance repaid	(26,600)	(22,010)
At 31st March 1995	<u>23,991</u>	<u>15,222</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Turnover

Turnover is derived from the ordinary activities of the company and represents amounts received and receivable, exclusive of VAT, for goods and services supplied during the year.

(c) Lease and hire purchase commitments

Fixed assets obtained under finance leases and hire purchase contracts are capitalised and depreciated over their expected useful lives. The relevant finance charges are allocated over the primary period of the lease or contract in proportion to the capital element outstanding.

The costs of operating leases are charged to profit and loss account as they accrue.

(d) Depreciation

Depreciation is provided on fixed assets by reference to cost at rates estimated to write off the relevant assets by equal annual instalments over their expected useful lives, which are -

Short leasehold tenant's improvements	- 10 years
Plant and equipment	- 4 and 10 years
Motor vehicles	- 4 years

(e) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Work in progress represents the cost of labour and materials.

(f) Deferred taxation

Deferred taxation is provided on the liability method on material timing differences between the inclusion of items of income and expenditure for accounting and for taxation purposes, but only to the extent that such differences may be expected to reverse in the foreseeable future.

2. OPERATING PROFIT/

NORTRUCK SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 1995

2. OPERATING PROFIT

	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Operating profit is stated after charging/(crediting) -		
Auditors' remuneration	4,400	4,200
Depreciation -		
Owned assets	21,520	20,867
Assets held under finance leases and hire purchase contracts	15,430	9,987
	<u>36,950</u>	<u>30,854</u>
Directors' remuneration (note 3(b))	<u>118,725</u>	<u>100,408</u>
Operating lease rentals -		
Land and buildings	45,000	24,000
Plant and equipment	992	752
	<u>45,992</u>	<u>24,752</u>
Gain on disposal of tangible fixed assets -		
Owned assets	(10,530)	(1,839)
Leased assets	(85)	-
	<u>(10,615)</u>	<u>(1,839)</u>

3. DIRECTORS AND EMPLOYEES

	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
(a) Staff Costs (including directors)		
Wages and salaries	421,259	330,150
Social security costs	37,558	28,096
Other pension costs	15,705	10,272
	<u>474,522</u>	<u>368,518</u>

The average weekly number of employees during the year was -

	<u>Number</u>	<u>Number</u>
Sales and administration	11	10
Parts	8	6
Service	7	6
	<u>26</u>	<u>22</u>

(b)/

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

3. DIRECTORS AND EMPLOYEES (contd.)

	<u>1995</u>	<u>1994</u>
	£	£
(b) Directors' Remuneration		
Fees	15,000	10,000
Other emoluments (including pension contributions)	103,725	90,408
	<u>118,725</u>	<u>100,408</u>

The emoluments of the chairman, who was also the highest paid director, excluding pension contributions, were £48,597 (1994 - £44,951). Other directors' emoluments, excluding pension contributions, fell within the following ranges -

	<u>1995</u>	<u>1994</u>
	Number	Number
£ Nil - £ 5,000	2	2
£35,001 - £40,000	-	1
£40,001 - £45,000	1	-
	<u> </u>	<u> </u>

4. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	£	£
Bank overdraft interest	15,229	17,258
Stocking loan interest	3,785	1,896
Hire purchase charges	2,464	1,978
Finance lease charges	-	118
Secondary lease charges	112	36
	<u>21,590</u>	<u>21,286</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1995</u>	<u>1994</u>
	£	£
Corporation tax at 25% (1994 - 25%) on the profit for the year	29,069	34,257
	<u> </u>	<u> </u>

No provision has been made in the financial statements for a deferred tax asset comprising -

	<u>1995</u>	<u>1994</u>
	£	£
Accelerated capital allowances	(507)	(2,547)
Other timing differences	-	344
	<u>(507)</u>	<u>(2,203)</u>

6. TANGIBLE FIXED ASSETS/

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

6. TANGIBLE FIXED ASSETS

	<u>Short Leasehold Tenant's Improvements</u> £	<u>Plant and Equipment</u> £	<u>Total</u> £
Cost			
At 1st April 1994	23,049	152,321	175,370
Additions	975	103,283	104,258
Disposals	-	(61,880)	(61,880)
At 31st March 1995	24,024	193,724	217,748
Depreciation			
At 1st April 1994	16,809	87,528	104,337
Provided during year	2,361	34,589	36,950
Disposals	-	(41,878)	(41,878)
At 31st March 1995	19,170	80,239	99,409
Net book value			
At 31st March 1995	4,854	113,485	118,339
At 31st March 1994	6,240	64,793	71,033

Included in plant and equipment are assets with a net book value of £57,862 (1994 - £36,244) held under finance leases and hire purchase contracts.

7. STOCKS

	<u>1995</u> £	<u>1994</u> £
Parts and accessories	485,265	450,516
Commercial vehicles	387,534	25,849
Work in progress	2,852	1,888
	<u>875,651</u>	<u>478,253</u>

- (i) The directors consider that the value of stocks at replacement cost is not materially different from the book value.
- (ii) Various stocks are held subject to reservation of title by suppliers.

8. DEBTORS/

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

8. DEBTORS

	<u>1995</u>	<u>1994</u>
	£	£
Amounts receivable within one year -		
Trade debtors	742,174	631,132
Other debtors	22,749	526
Prepayments and accrued income	6,235	4,469
	<u>771,158</u>	<u>636,127</u>

9. CREDITORS - Amounts falling due within one year

	<u>1995</u>	<u>1994</u>
	£	£
Bank overdraft	402,894	173,690
Obligations under finance leases and hire purchase contracts (note 11)	16,715	10,194
Trade creditors	793,743	505,477
Current corporation tax	29,069	27,579
Other taxes and social security costs	12,368	45,912
Other creditors	535	2,408
Accruals	7,515	5,652
	<u>1,262,839</u>	<u>770,912</u>

As security for the bank borrowings, the bank holds a bond and floating charge over the assets of the company.

10. CREDITORS - Amounts falling due after more than one year

	<u>1995</u>	<u>1994</u>
	£	£
Obligations under finance leases and hire purchase contracts (note 11)	<u>7,276</u>	<u>5,028</u>

11. OBLIGATIONS UNDER FINANCE LEASES/

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

**11. OBLIGATIONS UNDER FINANCE LEASES AND
HIRE PURCHASE CONTRACTS**

	<u>1995</u>	<u>1994</u>
	£	£
Amounts payable -		
Within one year	18,147	11,102
In the second to fifth years	7,689	5,179
Finance charges allocated to future periods	25,836 (1,845)	16,281 (1,059)
Net obligations	23,991	15,222
Whereof -		
Included in current liabilities (note 9)	16,715	10,194
Included in future liabilities (note 10)	7,276	5,028
	23,991	15,222

12. SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Ordinary Shares of £1 each -		
Authorised	100,000	100,000
Allotted, called up and fully paid	38,000	38,000

13. RESERVES

	<u>1995</u>	<u>1994</u>
	£	£
Share Premium Account -		
At 31st March 1995	5,000	5,000
Profit and Loss Account -		
At 1st April 1994	367,073	272,527
Retained profit for year	85,710	94,546
At 31st March 1995	452,783	367,073

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS/

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 1995

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u> £	<u>1994</u> £
Retained profit for year	85,710	94,546
Net addition to shareholders' funds	85,710	94,546
Opening shareholders' funds	410,073	315,527
Net assets at 31st March 1995	<u>495,783</u>	<u>410,073</u>

15. PENSIONS

The company contributes to defined contribution pension schemes for directors and for staff, the assets of which are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable to the funds and includes £535 due to the funds at 31st March 1995 (1994 - £2,408).

16. COMMITMENTS

At 31st March 1995 the company had annual commitments under non-cancellable operating leases as follows -

	<u>1995</u>		<u>1994</u>	
	<u>Land and</u> <u>Buildings</u> £	<u>Other</u> £	<u>Land and</u> <u>Buildings</u> £	<u>Other</u> £
Operating Leases which expire -				
Within one year	45,000	180	45,000	-
In the second to fifth years	-	632	-	1,110
	<u>45,000</u>	<u>812</u>	<u>45,000</u>	<u>1,110</u>

17. TRANSACTIONS WITH DIRECTORS

The company paid rent amounting to £45,000 (1994 - £24,000) under an operating lease for land and buildings to Aberheath Freight Limited, in which both R.G.McK. Auld and D.M. Clark have an interest.