

NORTRUCK SERVICES LIMITED
Company Number SC87421

ABBREVIATED REPORT AND FINANCIAL STATEMENTS

for the year ended

31st March 2000



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COMPANIES HOUSE 06/12/00

NORTRUCK SERVICES LIMITED

COMPANY INFORMATION

Directors:

R.W. Cameron
D.W. McIntosh

Secretary:

J.C. Chisholm
2 Bon Accord Crescent
Aberdeen
AB11 6DH

Auditors:

James Milne & Co
Chartered Accountants
5 Bon Accord Square
Aberdeen
AB11 6XZ

Solicitors:

Storie Cruden & Simpson
2 Bon Accord Crescent
Aberdeen
AB11 6DH

Bankers:

Bank of Scotland
53 Castle Street
Aberdeen
AB11 5AG

Registered office:

2 Bon Accord Crescent
Aberdeen
AB11 6DH

Company number:

SC87421

NORTRUCK SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31st March 2000.

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

Despite the continuing downturn in the haulage industry, leading to a decrease in parts department turnover, overall turnover has increased due to buoyant local authority vehicle sales, although margins have been squeezed.

The haulage industry will continue to be under pressure in the current financial year, although public sector activity meantime remains buoyant. Although it continues to be difficult to forecast current year results, in the absence of unforeseen circumstances, the directors again look forward to continued growth and to a profitable outcome in the year to 31st March 2001.

Results and dividends

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 £27,384 to be added to reserves.

Directors and their interests

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

	Ordinary Shares of £1 each	
	At 31st March	
	2000	1999
R.W. Cameron	15,000	15,000
D.W. McIntosh	10,000	10,000
R.G.M. Auld (resigned 7th December 1999)	-	)
		) 13,000
D.M. Clark (resigned 7th December 1999)	-	)

Until the date of their resignation, R.G.M. Auld and D.M. Clark jointly held, through interests in Aberheath Freight Limited, an interest in 13,000 ordinary shares of £1 each in the company representing 34.2% of the then issued share capital of the company. In order to facilitate the future management of the company and to eliminate that outside shareholding, the company repurchased on that date Aberheath Freight Limited's shareholding at a cost of £165,000, at the same time transferring an equivalent £13,000 to capital reserve.

Year 2000/Introduction of the Euro

The company's computer system was replaced during the year, is year 2000 compliant and includes the facility to handle the Euro. Other than the costs of the new computer system, no significant costs were incurred in ensuring year 2000 compliance.

Auditors/

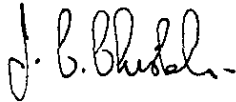
NORTRUCK SERVICES LIMITED

DIRECTORS' REPORT (CONTD.)

Auditors

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



J.C. CHISHOLM

Secretary

15th November 2000

NORTRUCK SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required under company law to prepare, for each financial year, financial statements 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 responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

On behalf of the Board



R.W. CAMERON

Director

15th November 2000

AUDITORS' REPORT TO
NORTRUCK SERVICES LIMITED
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have audited 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 2000, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

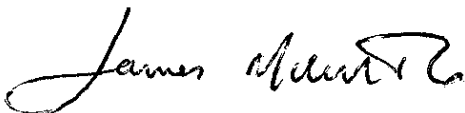
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion, and to report our opinion to the company, as to whether the company is entitled to deliver to the Registrar of Companies abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985 and whether the financial statements to be delivered are properly prepared in accordance with those provisions.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the full financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements have been properly prepared from those financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31st March 2000 and the abbreviated financial statements on pages 6 to 16 have been properly prepared in accordance with those provisions.



JAMES MILNE & CO.

Chartered Accountants and
Registered Auditors

5 Bon Accord Square
Aberdeen
AB11 6XZ

15th November 2000



NORTRUCK SERVICES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31st March 2000

	<u>Note</u>	<u>2000</u> £	<u>1999</u> £
Gross profit		623,618	675,430
Administrative expenses		(548,915)	(539,196)
Operating profit	3/4	74,703	136,234
Interest payable	5	(36,115)	(34,244)
Profit on ordinary activities before taxation		38,588	101,990
Tax on profit on ordinary activities	6	(11,204)	(21,652)
Retained profit for the financial year	15	27,384	80,338
Undistributed balance brought forward		825,597	745,259
		852,981	825,597
Applied in repurchase of share capital		(165,000)	-
Undistributed balance carried forward		687,981	825,597

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 2000

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		£	£
Fixed assets			
Tangible assets	7	145,140	148,868
Current assets			
Stocks	8	1,328,292	967,149
Debtors	9	1,166,348	1,039,334
Cash and cheques in hand		800	524
		<u>2,495,440</u>	<u>2,007,007</u>
Creditors: Amounts falling due within one year	10	<u>(1,901,012)</u>	<u>(1,265,801)</u>
Net current assets		<u>594,428</u>	<u>741,206</u>
Total assets less current liabilities		<u>739,568</u>	<u>890,074</u>
Creditors: Amounts falling due after more than one year	11	<u>(8,587)</u>	<u>(21,477)</u>
Net assets		<u><u>730,981</u></u>	<u><u>868,597</u></u>
Capital and reserves			
Called up share capital	14	25,000	38,000
Share premium account	15	5,000	5,000
Capital reserve		13,000	-
Profit and loss account	15	<u>687,981</u>	<u>825,597</u>
Shareholders' funds	16	<u><u>730,981</u></u>	<u><u>868,597</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies.

The financial statements on pages 6 to 16 were approved by the board of directors on 15th November 2000.



R.W. CAMERON

Director

NORTRUCK SERVICES LIMITED

CASH FLOW STATEMENT

for the year ended 31st March 2000

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit	74,703	136,234
Depreciation	69,013	56,004
Gain on disposal of tangible fixed assets	(4,860)	(6,126)
(Increase)/decrease in stocks and work in progress	(361,143)	92,003
(Increase)/decrease in debtors	(127,014)	373,670
Increase/(decrease) in creditors	318,425	(560,076)
Net cash (outflow)/inflow from operating activities	<u>(30,876)</u>	<u>91,709</u>
 Cash flow statement		
Net cash outflow/(inflow) from operating activities	(30,876)	91,709
Servicing of finance (note 1)	(33,375)	(36,424)
Taxation	(21,652)	(37,698)
Capital expenditure (note 1)	(60,423)	(80,467)
Financing (note 1)	(175,713)	14,640
Decrease in cash in the year	<u>(322,039)</u>	<u>(48,240)</u>
 Reconciliation of net cash flow to movement in net funds		
Decrease in cash in the year	(322,039)	(48,240)
Decrease/(increase) in hire purchase debt	10,713	(14,640)
Change in net debt	(311,326)	(62,880)
Net debt at 1st April 1999	<u>(416,817)</u>	<u>(353,937)</u>
Net debt at 31st March 2000	<u>(728,143)</u>	<u>(416,817)</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE CASH FLOW STATEMENT

for the year ended 31st March 2000

1. **Gross cash flows**

	<u>2000</u> £	<u>1999</u> £
Servicing of finance		
Interest paid	(30,136)	(33,354)
Interest element of hire purchase payments	(3,239)	(3,070)
	<u>(33,375)</u>	<u>(36,424)</u>
Capital expenditure		
Acquisition of tangible fixed assets	(72,523)	(100,847)
Disposal of tangible fixed assets	12,100	20,380
	<u>(60,423)</u>	<u>(80,467)</u>
Financing		
Hire purchase finance received	16,696	60,610
Hire purchase finance repaid	(27,409)	(45,970)
Repurchase of share capital	(165,000)	-
	<u>(175,713)</u>	<u>14,640</u>

2. **Analysis of changes in net debt**

	<u>1st April</u> <u>1999</u> £	<u>Cash</u> <u>Flows</u> £	<u>Other</u> <u>Changes</u> £	<u>31st March</u> <u>2000</u> £
Cash and cheques in hand	524	276		800
Bank overdraft	(373,190)	(322,315)		(695,505)
Hire purchase finance -				
Due within one year	(22,674)	15,838	(18,015)	(24,851)
Due after one year	(21,477)	(5,125)	18,015	(8,587)
Total	<u>(416,817)</u>	<u>(311,326)</u>	-	<u>(728,143)</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

1. Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Depreciation is calculated to write off the cost less estimated residual value of fixed assets on a straight line basis over their estimated useful lives as follows:

Short leasehold tenant's improvements	- 10 years
Plant and equipment	- 4 and 10 years
Motor vehicles	- 2 and 4 years

Lease and hire purchase commitments

Assets acquired 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.

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of work in progress comprises direct labour and materials.

Deferred taxation

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

Pension costs

Contributions to employees' defined contribution pension schemes are charged to profit and loss account in the year in which they are payable.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

In the opinion of the directors, none of the turnover during the year was attributable to geographical markets outside the UK (1999 £Nil).

NORTRUCK SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2000

3. **Operating profit**

	<u>2000</u> £	<u>1999</u> £
Operating profit is stated after charging:		
Directors' remuneration (note 4(b))	118,942	128,351
Auditors' remuneration	5,360	5,200
Depreciation	69,013	56,004
Operating lease rentals -		
Land and buildings	58,999	45,000
Plant and equipment	742	742
	<u>59,741</u>	<u>45,742</u>
and after crediting:		
Gain on disposal of tangible fixed assets	<u>4,860</u>	<u>6,126</u>

4. **Directors and employees**

	<u>2000</u> £	<u>1999</u> £
(a) Staff Costs (including directors)		
Wages and salaries	631,243	543,957
Social security costs	58,969	56,814
Other pension costs	16,286	15,567
	<u>706,498</u>	<u>616,338</u>

The average monthly number of employees during the year was -

	<u>Number</u>	<u>Number</u>
Sales and administration	11	10
Parts	18	16
Service	5	7
	<u>34</u>	<u>33</u>

	<u>2000</u> £	<u>1999</u> £
(b) Directors' Remuneration		
Emoluments	104,942	114,351
Pension scheme contributions	14,000	14,000
	<u>118,942</u>	<u>128,351</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

5. Interest payable

	<u>2000</u> £	<u>1999</u> £
Bank overdraft interest	29,075	27,859
Stocking loan interest	3,801	3,315
Hire purchase charges	3,239	3,070
	<u>36,115</u>	<u>34,244</u>

6. Tax on profit on ordinary activities

	<u>2000</u> £	<u>1999</u> £
The taxation charge comprises:		
Corporation tax	<u>11,204</u>	<u>21,652</u>

7. Tangible fixed assets

	<u>Short Leasehold Tenant's Improvements</u> £	<u>Plant and Equipment</u> £	<u>Total</u> £
Cost			
At 1st April 1999	25,878	308,459	334,337
Additions	-	72,523	72,523
Disposals	-	(41,574)	(41,574)
At 31st March 2000	<u>25,878</u>	<u>339,408</u>	<u>365,286</u>
Depreciation			
At 1st April 1999	25,878	159,591	185,469
Provided during year	-	69,013	69,013
On disposals	-	(34,336)	(34,336)
At 31st March 2000	<u>25,878</u>	<u>194,268</u>	<u>220,146</u>
Net book value			
At 31st March 2000	<u>-</u>	<u>145,140</u>	<u>145,140</u>
At 1st April 1999	<u>-</u>	<u>148,868</u>	<u>148,868</u>

The net book value of plant and equipment held under hire purchase contracts amounted to £68,787 (1999 - £78,351) after provision of depreciation for the year of £30,433 (1999 - £19,217).

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

8. Stocks

	<u>2000</u> £	<u>1999</u> £
Parts and accessories	971,053	843,362
Commercial vehicles	357,239	122,697
Work in progress	-	1,090
	<u>1,328,292</u>	<u>967,149</u>

Various stocks are held subject to reservation of title by suppliers.

9. Debtors

	<u>2000</u> £	<u>1999</u> £
Amounts falling due within one year -		
Trade debtors	1,144,024	1,032,440
Other debtors	1,698	4,069
Prepayments and accrued income	20,626	2,825
	<u>1,166,348</u>	<u>1,039,334</u>

10. Creditors: Amounts falling due within one year

	<u>2000</u> £	<u>1999</u> £
Bank overdraft (secured)	695,505	373,190
Hire purchase obligations (note 12)	24,851	22,674
Trade creditors	1,092,839	792,217
Corporation tax	11,204	21,652
Other taxes and social security costs	63,285	47,938
Accruals	13,328	8,130
	<u>1,901,012</u>	<u>1,265,801</u>

The bank holds a bond and floating charge over the assets of the company in security of the bank overdraft.

11. Creditors: Amounts falling due after more than one year

	<u>2000</u> £	<u>1999</u> £
Hire purchase obligations (note 12)	<u>8,587</u>	<u>21,477</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

12. Hire purchase obligations

	<u>2000</u>	<u>1999</u>
	£	£
Amounts payable:		
Within one year	26,408	25,584
In the second to fifth years	8,930	22,399
	<u>35,338</u>	<u>47,983</u>
Finance charges allocated to future periods	(1,900)	(3,832)
Net obligations	<u>33,438</u>	<u>44,151</u>
Whereof -		
Included in current liabilities (note 10)	24,851	22,674
Included in future liabilities (note 11)	8,587	21,477
	<u>33,438</u>	<u>44,151</u>

13. Deferred taxation

	<u>1999</u>	<u>Change</u>	<u>Movement</u>	<u>2000</u>
	£	in rate	for year	£
		£	£	
Deferred taxation asset not provided:				
Depreciation in excess of capital allowances	3,060	(192)	1,870	4,738

14. Share capital

	<u>2000</u>	<u>1999</u>
	£	£
Ordinary Shares of £1 each -		
Authorised	100,000	100,000
Allotted, called up and fully paid	<u>25,000</u>	<u>38,000</u>

On 7th December 1999, 13,000 shares in the company were repurchased at a cost of £165,000, £13,000 being transferred to capital reserve on that date.

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

15. **Reserves**

	<u>2000</u> £	<u>1999</u> £
Share Premium Account -		
At 31st March 2000	<u>5,000</u>	<u>5,000</u>
Capital reserve -		
Arising on repurchase of share capital	<u>13,000</u>	-
At 31st March 2000	<u>13,000</u>	-
Profit and Loss Account -		
At 1st April 1999	825,597	745,259
Applied in repurchase of share capital	(165,000)	-
Retained profit for the financial year	<u>27,384</u>	<u>80,338</u>
At 31st March 2000	<u>687,981</u>	<u>825,597</u>

16. **Reconciliation of movements in shareholders' funds**

	<u>2000</u> £	<u>1999</u> £
Retained profit for the financial year	27,384	80,338
Applied in repurchase of share capital	(165,000)	-
Net (subtraction from)/addition to shareholders' funds	<u>(137,616)</u>	<u>80,338</u>
Opening shareholders' funds	<u>868,597</u>	<u>788,259</u>
Shareholders' funds at 31st March 2000	<u>730,981</u>	<u>868,597</u>

17. **Pensions**

The company contributed during the year to defined contribution pension schemes for two directors and for seven members of staff, the assets of which are held separately from those of the company in independently administered funds.

There were no outstanding pension contributions at 31st March 2000 (1999 - £Nil).

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2000

18. **Commitments**

At 31st March 2000 the company had annual commitments under non-cancellable operating leases as follows -

	<u>2000</u>		<u>1999</u>	
	<u>Land and</u>	<u>Other</u>	<u>Land and</u>	<u>Other</u>
	<u>Buildings</u>		<u>Buildings</u>	
	£	£	£	£
Operating leases which expire -				
Within one year		742		742
In the second to fifth years	*69,000		55,000	
	<u>69,000</u>	<u>742</u>	<u>55,000</u>	<u>742</u>

*Including £7,000 recoverable from sub-tenant.

19. **Transactions with directors**

- (a) The company paid rent amounting to £55,000 (1999- £45,000) under an operating lease for land and buildings to Aberheath Freight Limited, in which both R.G.M. Auld and D.M. Clark have an interest.
- (b) The company transacts business in the normal course of trade with Sabre Offshore Services Limited, in which both R.W. Cameron and D.W. McIntosh have an interest.

The value of transactions during the year to 31st March 2000 was:

	£
Purchases from Sabre	<u>14,936</u>
Sales to Sabre	173,390
Recharge of overhead expenses	43,116
Sale of fixed asset	3,250
Management fees	<u>70,000</u>
	<u>289,756</u>