

NORTRUCK SERVICES LIMITED
Company Number SC87421

ABBREVIATED REPORT AND FINANCIAL STATEMENTS

for the year ended

31st March 2001



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
54 John Street
Aberdeen
AB25 1LL

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 2001.

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 commercial vehicle market remains very competitive although the company is trading very successfully in the municipal market. The introduction of new models in the commercial vehicle range should assist the company in regaining its foothold in this sector of the market.

Parts turnover has increased due to improved sales efficiency combined with the introduction of new product lines.

The current year's trading position indicates that the directors can, in the absence of unforeseen circumstances, again look forward to a profitable outcome for the year to 31st March 2002.

Results and dividends

The results for the year are set out in detail on page 5.

The directors recommend that no dividend be paid for the year, leaving profits after tax amounting to £66,240 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 -

	<u>Ordinary Shares of £1 each</u>	
	<u>At 31st March</u>	
	<u>2001</u>	<u>2000</u>
R.W. Cameron	7,500	15,000
D.W. McIntosh	17,500	10,000

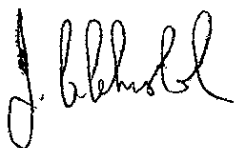
Introduction of the Euro

The company's computer system has the facility to handle the Euro.

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

X  X
J.C. CHISHOLM

Secretary

31st October 2001

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

X  X
R.W. CAMERON

Director

31st October 2001

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

We have audited the abbreviated financial statements on pages 5 to 15 together with the full financial statements of Nortruck Services Limited for the year ended 31st March 2001, 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 2001 and the abbreviated financial statements on pages 5 to 15 have been properly prepared in accordance with those provisions.



JAMES MILNE & CO.

Chartered Accountants and
Registered Auditors

5 Bon Accord Square
Aberdeen
AB11 6XZ

31st October 2001



NORTRUCK SERVICES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31st March 2001

	<u>Note</u>	<u>2001</u> £	<u>2000</u> £
Gross profit		675,684	623,618
Administrative expenses		(547,012)	(548,915)
Operating profit	3/4	128,672	74,703
Interest receivable		19	-
Interest payable	5	(46,762)	(36,115)
Profit on ordinary activities before taxation		81,929	38,588
Tax on profit on ordinary activities	6	(15,689)	(11,204)
Retained profit for the financial year	15	66,240	27,384
Undistributed balance brought forward		687,981	825,597
		754,221	852,981
Applied in repurchase of share capital		-	(165,000)
Undistributed balance carried forward		754,221	687,981

All amounts relate to continuing activities.

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

NORTRUCK SERVICES LIMITED

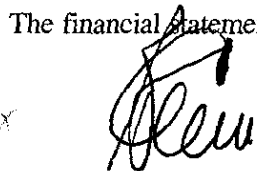
BALANCE SHEET

at 31st March 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
		£	£
Fixed assets			
Tangible assets	7	78,133	145,140
Current assets			
Stocks	8	1,184,064	1,328,292
Debtors	9	1,042,471	1,166,348
Cash in hand		1,000	800
		<u>2,227,535</u>	<u>2,495,440</u>
Creditors: Amounts falling due within one year	10	<u>(1,498,630)</u>	<u>(1,901,012)</u>
Net current assets		<u>728,905</u>	<u>594,428</u>
Total assets less current liabilities		807,038	739,568
Creditors: Amounts falling due after more than one year	11	<u>(9,817)</u>	<u>(8,587)</u>
Net assets		<u><u>797,221</u></u>	<u><u>730,981</u></u>
Capital and reserves			
Called up share capital	14	25,000	25,000
Share premium account	15	5,000	5,000
Capital reserve	15	13,000	13,000
Profit and loss account	15	754,221	687,981
Shareholders' funds	16	<u><u>797,221</u></u>	<u><u>730,981</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 5 to 15 were approved by the board of directors on 31st October 2001.


R.W. CAMERON

Director

NORTRUCK SERVICES LIMITED

CASH FLOW STATEMENT

for the year ended 31st March 2001

	<u>2001</u> £	<u>2000</u> £
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit	128,672	74,703
Depreciation	44,276	69,013
Gain on disposal of tangible fixed assets	(9,732)	(4,860)
Decrease/(increase) in stocks and work in progress	144,228	(361,143)
Decrease/(increase) in debtors	123,877	(127,014)
(Decrease)/increase in creditors	(445,421)	318,425
Net cash outflow from operating activities	<u>(14,100)</u>	<u>(30,876)</u>
 Cash flow statement		
Net cash outflow from operating activities	(14,100)	(30,876)
Servicing of finance (note 1)	(48,142)	(33,375)
Taxation	(11,204)	(21,652)
Capital expenditure (note 1)	53,712	(43,727)
Financing (note 1)	(29,170)	(192,409)
Decrease in cash in the year	<u>(48,904)</u>	<u>(322,039)</u>
 Reconciliation of net cash flow to movement in net funds		
Decrease in cash in the year	(48,904)	(322,039)
Decrease in hire purchase debt	7,920	10,713
Change in net debt	(40,984)	(311,326)
Net debt at 1st April 2000	<u>(728,143)</u>	<u>(416,817)</u>
Net debt at 31st March 2001	<u>(769,127)</u>	<u>(728,143)</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE CASH FLOW STATEMENT

for the year ended 31st March 2001

1. Gross cash flows

	<u>2001</u> £	<u>2000</u> £
Servicing of finance		
Interest received	19	-
Interest paid	(46,081)	(30,136)
Interest element of hire purchase payments	(2,080)	(3,239)
	<u>(48,142)</u>	<u>(33,375)</u>
Capital expenditure		
Acquisition of tangible fixed assets	(20,978)	(55,827)
Disposal of tangible fixed assets	74,690	12,100
	<u>53,712</u>	<u>(43,727)</u>
Financing		
Hire purchase finance repaid	(29,170)	(27,409)
Repurchase of share capital	-	(165,000)
	<u>(29,170)</u>	<u>(192,409)</u>

2. Analysis of changes in net debt

	<u>1st April</u> <u>2000</u> £	<u>Cash</u> <u>Flows</u> £	<u>Other</u> <u>Changes</u> £	<u>31st March</u> <u>2001</u> £
Cash and cheques in hand	800	200		1,000
Bank overdraft	(695,505)	(49,104)		(744,609)
Hire purchase finance -				
Due within one year	(24,851)	17,368	(8,218)	(15,701)
Due after one year	(8,587)	(9,448)	8,218	(9,817)
Total	<u>(728,143)</u>	<u>40,984</u>	<u>-</u>	<u>(769,127)</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

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 in respect of the tax effect of all timing differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

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 (2000 £Nil).

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

3. Operating profit

	<u>2001</u> £	<u>2000</u> £
Operating profit is stated after charging:		
Directors' remuneration (note 4(b))	124,191	118,942
Auditors' remuneration	5,600	5,360
Depreciation	44,276	69,013
Operating lease rentals -		
Land and buildings	62,911	58,999
Plant and equipment	4,190	742
	<u>67,101</u>	<u>59,741</u>
and after crediting:		
Gain on disposal of tangible fixed assets	<u>9,732</u>	<u>4,860</u>

4. Directors and employees

	<u>2001</u> £	<u>2000</u> £
(a) Staff Costs (including directors)		
Wages and salaries	644,990	631,243
Social security costs	61,816	58,969
Other pension costs	16,500	16,286
	<u>723,306</u>	<u>706,498</u>

The average monthly number of employees during the year was -

	<u>Number</u>	<u>Number</u>
Sales and administration	10	11
Parts	16	18
Service	5	5
	<u>31</u>	<u>34</u>

	<u>2001</u> £	<u>2000</u> £
(b) Directors' Remuneration		
Emoluments	110,191	104,942
Pension scheme contributions	14,000	14,000
	<u>124,191</u>	<u>118,942</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

5. Interest payable

	<u>2001</u> £	<u>2000</u> £
Bank overdraft interest	39,043	29,075
Stocking loan interest	5,164	3,801
Hire purchase charges	2,080	3,239
VAT interest	475	-
	<u>46,762</u>	<u>36,115</u>

6. Tax on profit on ordinary activities

	<u>2001</u> £	<u>2000</u> £
The taxation charge comprises:		
Corporation tax	<u>15,689</u>	<u>11,204</u>

7. Tangible fixed assets

	<u>Short Leasehold Tenant's Improvements</u> £	<u>Plant and Equipment</u> £	<u>Total</u> £
Cost			
At 1st April 2000	25,878	339,408	365,286
Additions	-	42,228	42,228
Disposals	-	(127,529)	(127,529)
At 31st March 2001	<u>25,878</u>	<u>254,107</u>	<u>279,985</u>
Depreciation			
At 1st April 2000	25,878	194,268	220,146
Provided during year	-	44,276	44,276
On disposals	-	(62,570)	(62,570)
At 31st March 2001	<u>25,878</u>	<u>175,974</u>	<u>201,852</u>
Net book value			
At 31st March 2001	<u>-</u>	<u>78,133</u>	<u>78,133</u>
At 1st April 2000	<u>-</u>	<u>145,140</u>	<u>145,140</u>

The net book value of plant and equipment held under hire purchase contracts amounted to £51,947 (2000 - £68,787) after provision of depreciation for the year of £15,854 (2000 - £30,433).

NORTRUCK SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2001

8. **Stocks**

	<u>2001</u> £	<u>2000</u> £
Parts and accessories	1,050,504	971,053
Commercial vehicles	133,560	357,239
	<u>1,184,064</u>	<u>1,328,292</u>

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

9. **Debtors**

	<u>2001</u> £	<u>2000</u> £
Amounts falling due within one year -		
Trade debtors	1,017,978	1,144,024
Other debtors	-	1,698
Prepayments and accrued income	24,493	20,626
	<u>1,042,471</u>	<u>1,166,348</u>

10. **Creditors: Amounts falling due within one year**

	<u>2001</u> £	<u>2000</u> £
Bank overdraft (secured)	744,609	695,505
Hire purchase obligations (note 12)	15,701	24,851
Trade creditors	655,234	1,092,839
Corporation tax	15,689	11,204
Other taxes and social security costs	51,445	63,285
Accruals	15,952	13,328
	<u>1,498,630</u>	<u>1,901,012</u>

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

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

	<u>2001</u> £	<u>2000</u> £
Hire purchase obligations (note 12)	<u>9,817</u>	<u>8,587</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

12. Hire purchase obligations

	<u>2001</u> £	<u>2000</u> £
Amounts payable:		
Within one year	17,165	26,408
In the second to fifth years	10,474	8,930
	<u>27,639</u>	<u>35,338</u>
Finance charges allocated to future periods	(2,121)	(1,900)
Net obligations	<u>25,518</u>	<u>33,438</u>
Whereof -		
Included in current liabilities (note 10)	15,701	24,851
Included in future liabilities (note 11)	9,817	8,587
	<u>25,518</u>	<u>33,438</u>

13. Deferred taxation

	<u>2000</u> £	<u>Movement</u> <u>for year</u> £	<u>2001</u> £
Deferred taxation asset not provided:			
Depreciation in excess of capital allowances	4,738	(1,875)	2,863

14. Share capital

	<u>2001</u> £	<u>2000</u> £
Ordinary Shares of £1 each -		
Authorised	100,000	100,000
Allotted, called up and fully paid	<u>25,000</u>	<u>25,000</u>

15. Reserves

	<u>2001</u> £	<u>2000</u> £
Share Premium Account -		
At 31st March 2001	<u>5,000</u>	<u>5,000</u>
Capital reserve -		
At 1st April 2000	13,000	-
Arising on repurchase of share capital	-	13,000
At 31st March 2001	<u>13,000</u>	<u>13,000</u>

NORTRUCK SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2001

15. **Reserves (contd.)**

	<u>2001</u> £	<u>2000</u> £
Profit and Loss Account -		
At 1st April 2000	687,981	825,597
Applied in repurchase of share capital	-	(165,000)
Retained profit for the financial year	66,240	27,384
At 31st March 2001	<u>754,221</u>	<u>687,981</u>

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

	<u>2001</u> £	<u>2000</u> £
Retained profit for the financial year	66,240	27,384
Applied in repurchase of share capital	-	(165,000)
Net addition to/(subtraction from) shareholders' funds	<u>66,240</u>	<u>(137,616)</u>
Opening shareholders' funds	730,981	868,597
Shareholders' funds at 31st March 2001	<u>797,221</u>	<u>730,981</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 2001 (2000 - £Nil).

18. **Capital commitments**

	<u>2001</u> £	<u>2000</u> £
Capital expenditure contracted for but not provided for in the financial statements	<u>11,250</u>	<u>-</u>

NORTRUCK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2001

19. **Other financial commitments**

At 31st March 2001 the company had annual commitments under non-cancellable operating leases as follows -

	<u>2001</u>		<u>2000</u>	
	<u>Land and Buildings</u>	<u>Other</u>	<u>Land and Buildings</u>	<u>Other</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Operating leases which expire -				
Within one year				742
In the second to fifth years	*70,822	13,605	*69,000	
	<u>70,822</u>	<u>13,605</u>	<u>69,000</u>	<u>742</u>

*Including £7,911 recoverable from sub-tenant (2000 - £7,000).

20. **Transactions with directors**

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 2001 was:

	<u>£</u>
Purchases from Sabre	<u>17,802</u>
Sales to Sabre	62,976
Recharge of overhead expenses	34,319
Sale of fixed asset	18,400
Management fees	<u>77,700</u>
	<u>193,395</u>

21. **Related party transactions**

Controlling party

The company is under the control of Mr D.W. McIntosh, director, by virtue of his holding of 70% of the issued ordinary share capital.