

Registration number SC087421



**Nortruck Services Limited**

**Strategic Report, Report of the Director  
and Financial Statements**

**for the year ended**

**31st March 2016**

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COMPANIES HOUSE



## **Nortruck Services Limited**

### **Company Information**

**Director:** Duncan W. McIntosh

**Secretary:** Joan S. D. McIntosh

**Company number:** SC087421

**Registered office and  
business address:** Unit A  
Minto Avenue  
Altens Industrial Estate  
Aberdeen  
AB12 3JZ

**Auditors:** James Milne  
Chartered Accountants  
5 Bon Accord Square  
Aberdeen  
AB11 6XZ

**Bankers:** Bank of Scotland  
54 John Street  
Aberdeen  
AB25 1LL

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

# Nortruck Services Limited



## Strategic report

for the year ended 31st March 2016

### Business review

The last twelve months have seen continued expansion of the business. The recent downturn in the oil and gas industry has seen more businesses repairing existing vehicles rather than renewing through capital expenditure.

### Financial performance

The company's balance sheet position at 31st March 2016 showed net assets of £1,685,747 (2015 - £1,683,225). Turnover of the company decreased slightly to £8,042,597 from £8,050,265 in 2015 with profit on ordinary activities before taxation showing £81,687 (2015 - £326,127).

### Financial risk management objectives and policies

The company's principal financial instruments consist of cash and borrowings to finance its normal trading operations.

The company has various other financial instruments such as trade debtors and creditors that arise directly from trading operations.

Finance lease and hire purchase agreements are used by the company to purchase vehicles.

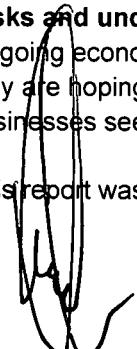
### Risks and uncertainties

Ongoing economic uncertainty and downturn in the oil and gas industry represent a small risk to the company as they are hoping to expand their business into oil and gas clients. The market for vehicle parts remains strong as businesses seek repair and maintenance programs over capital expenditure.

This report was approved on

20/12/16

and signed on its behalf by

  
**Duncan W. McIntosh**  
Director



Director's Report

The director presents his report and the financial statements of the company for the year ended 31st March 2016.

**Director**

The director who served during the year is as stated below:

Duncan W. McIntosh

**Dividends**

Particulars of recommended dividends are detailed in Note 10 to the financial statements.

**Statement of director's responsibilities**

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they 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 year.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**Auditors**

Each of the persons who is a director at the date of approval of this report confirm that:

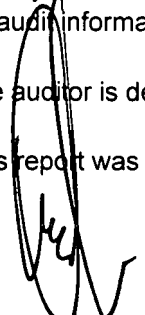
- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with Section 487 of the Companies Act 2006.

This report was approved on

20/12/16

and signed by

  
**Duncan W. McIntosh**  
Director



## **Independent Auditor's Report to the shareholders of Nortruck Services Limited**

We have audited the financial statements of Nortruck Services Limited for the year ended 31st March 2016 which comprise the statement of income and retained earnings, the balance sheet, statement of cash flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of director and auditors**

As explained more fully in the Director's Responsibilities, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require Director's responsibilities to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report and the Strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Director's report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.



**Independent Auditor's Report to the shareholders of  
Nortruck Services Limited**

**Auditor's Report (contd)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Richard Christie CA** (Senior Statutory Auditor)

**For and on behalf of James Milne**

Chartered Accountants and  
Statutory Auditors  
5 Bon Accord Square  
Aberdeen  
AB11 6XZ

20/12/16

# Nortruck Services Limited



## Statement of income and retained earnings for the year ended 31st March 2016

|                                                                     | Note | 2016<br>£          | 2015<br>£          |
|---------------------------------------------------------------------|------|--------------------|--------------------|
| <b>Turnover</b>                                                     | 3    | 8,042,597          | 8,050,265          |
| Cost of sales                                                       |      | <u>(7,071,678)</u> | <u>(6,882,100)</u> |
| <b>Gross profit</b>                                                 |      | 970,919            | 1,168,165          |
| Administrative expenses                                             |      | (994,193)          | (915,182)          |
| Other operating income                                              |      | <u>132,186</u>     | <u>105,736</u>     |
| <b>Operating profit</b>                                             | 4    | 108,912            | 358,719            |
| Other interest receivable and similar income                        | 7    | 25                 | 20                 |
| Interest payable and similar charges                                | 8    | <u>(27,250)</u>    | <u>(31,822)</u>    |
| <b>Profit on ordinary activities before taxation</b>                |      | 81,687             | 326,917            |
| Tax on profit on ordinary activities                                | 9    | <u>(18,145)</u>    | <u>(67,453)</u>    |
| <b>Profit for the financial year and total comprehensive income</b> |      | <u>63,542</u>      | <u>259,464</u>     |
| Dividends paid and payable                                          | 10   | (61,020)           | (61,020)           |
| <b>Retained earnings at the start of the year</b>                   |      | <u>1,640,225</u>   | <u>1,441,781</u>   |
| <b>Retained earnings at the end of the year</b>                     |      | <u>1,642,747</u>   | <u>1,640,225</u>   |

All the activities of the company are from continuing operations

The notes on pages 9 to 18 form an integral part of these financial statements.

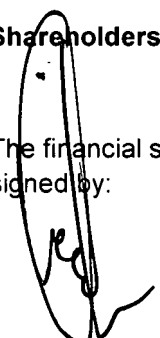
# Nortruck Services Limited

## Balance Sheet at 31st March 2016



|                                                                | Note | 2016               |                         | 2015               |                         |
|----------------------------------------------------------------|------|--------------------|-------------------------|--------------------|-------------------------|
|                                                                |      | £                  | £                       | £                  | £                       |
| <b>Fixed assets</b>                                            |      |                    |                         |                    |                         |
| Tangible assets                                                | 11   |                    | 221,447                 |                    | 208,048                 |
| <b>Current assets</b>                                          |      |                    |                         |                    |                         |
| Stocks                                                         | 12   | 2,243,338          |                         | 2,129,281          |                         |
| Debtors                                                        | 13   | 1,802,112          |                         | 1,689,513          |                         |
| Cash at bank and in hand                                       | 14   | 22,123             |                         | 1,098              |                         |
|                                                                |      | <u>4,067,573</u>   |                         | <u>3,819,892</u>   |                         |
| <b>Creditors: amounts falling due within one year</b>          | 15   | <u>(2,168,514)</u> |                         | <u>(2,123,680)</u> |                         |
| <b>Net current assets</b>                                      |      |                    | <u>1,899,059</u>        |                    | <u>1,696,212</u>        |
| <b>Total assets less current liabilities</b>                   |      |                    | <u>2,120,506</u>        |                    | <u>1,904,260</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 16   |                    | (398,230)               |                    | (190,513)               |
| <b>Provision for liabilities</b>                               |      |                    |                         |                    |                         |
| Deferred taxation                                              | 19   |                    | <u>(36,529)</u>         |                    | <u>(30,522)</u>         |
| <b>Net assets</b>                                              |      |                    | <u><u>1,685,747</u></u> |                    | <u><u>1,683,225</u></u> |
| <b>Capital and reserves</b>                                    |      |                    |                         |                    |                         |
| Called up share capital                                        | 20   |                    | 17,500                  |                    | 17,500                  |
| Share premium account                                          | 21   |                    | 5,000                   |                    | 5,000                   |
| Capital redemption reserve                                     | 21   |                    | 20,500                  |                    | 20,500                  |
| Profit and loss account                                        | 21   |                    | <u>1,642,747</u>        |                    | <u>1,640,225</u>        |
| <b>Shareholders' funds</b>                                     |      |                    | <u><u>1,685,747</u></u> |                    | <u><u>1,683,225</u></u> |

The financial statements were approved by the director and authorised for issue on, 20/12/16 and were signed by:

  
**Duncan W. McIntosh**  
Director

Company registration number: SC087421

The notes on pages 9 to 18 form an integral part of these financial statements.

# Nortruck Services Limited



## Statement of cash flows for the year ended 31st March 2016

|                                                             | Note | 2016<br>£        | 2015<br>£        |
|-------------------------------------------------------------|------|------------------|------------------|
| <b>Cash flows from operating activities</b>                 |      |                  |                  |
| Profit for the financial year                               |      | 63,542           | 259,464          |
| <i>Adjustments for:</i>                                     |      |                  |                  |
| Depreciation of tangible assets                             |      | 102,599          | 79,695           |
| Other interest receivable and similar income                |      | (25)             | (20)             |
| Interest payable and similar charges                        |      | 28,214           | 32,261           |
| Gain on disposal of tangible assets                         |      | (3,745)          | (14,763)         |
| Tax on profit on ordinary activities                        |      | 18,145           | 67,453           |
| Accrued expenses                                            |      | 14,058           | 1,192            |
| <i>Changes in:</i>                                          |      |                  |                  |
| Stocks                                                      |      | (114,057)        | (65,566)         |
| Trade and other debtors                                     |      | (112,599)        | (67,365)         |
| Trade and other creditors                                   |      | 227,168          | (9,723)          |
| Cash generated from operations                              |      | 223,300          | 282,628          |
| Interest paid                                               |      | (28,214)         | (32,261)         |
| Interest received                                           |      | 25               | 20               |
| Tax paid                                                    |      | (49,762)         | (29,703)         |
| Net cash from operating activities                          |      | <u>145,349</u>   | <u>220,684</u>   |
| <b>Cash flows from investing activities</b>                 |      |                  |                  |
| Purchase of tangible assets                                 |      | (31,893)         | (26,606)         |
| Proceeds from sale of tangible assets                       |      | 7,392            | 22,247           |
| Net cash used in investing activities                       |      | <u>(24,501)</u>  | <u>(4,359)</u>   |
| <b>Cash flows from financing activities</b>                 |      |                  |                  |
| Proceeds from borrowings                                    |      | 217,161          | (107,143)        |
| Payment of finance lease liabilities                        |      | (74,822)         | (42,820)         |
| Equity dividends paid                                       |      | (61,020)         | (61,020)         |
| Net cash from/(used in) financing activities                |      | <u>81,319</u>    | <u>(210,983)</u> |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |      | 202,167          | 5,342            |
| <b>Cash and cash equivalents at beginning of year</b>       | 14   | <u>(180,044)</u> | <u>(185,386)</u> |
| <b>Cash and cash equivalents at end of year</b>             | 14   | <u>22,123</u>    | <u>(180,044)</u> |

# Nortruck Services Limited

## Notes to the Financial Statements for the year ended 31st March 2016



### 1. Statutory information

Nortruck Services Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

### 2. Accounting policies

#### Basis of preparation

These financial statements have been prepared in compliance with FRS 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The director, having made due and careful enquiry, is of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The director has therefore made an informed judgement at the time of approving the financial statements that the company is a going concern. As a result, the director has continued to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in Note 25.

#### Judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

##### Estimated useful lives and residual values of tangible fixed assets

The annual depreciation charge for tangible fixed assets has been based on the estimated useful lives and residual values of the assets deemed appropriate by the director. Estimated useful lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

#### Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.



### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### **Tangible assets**

Tangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                                       |   |                                   |
|---------------------------------------|---|-----------------------------------|
| Short leasehold tenant's improvements | - | straight line over 10 years       |
| Plant and machinery                   | - | straight line over 4 and 10 years |
| Fittings, fixtures and equipment      | - | straight line over 4 years        |
| Motor vehicles                        | - | straight line over 2 and 4 years  |

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs to purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

### **Hire purchase and finance leases**

Assets held under finance leases are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

### Debtors

Short term debtors are measured at transaction price, less any impairment.

Loans to employees or key management (being repayable on demand) are measured at the undiscounted amount of the cash or other consideration expected to be received.

### Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Director's loan (being repayable on demand) and other loans are measured at the undiscounted amount of the cash or other consideration expected to be paid.

### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

## 3. Turnover

Turnover arises from:

|               | 2016<br>£        | 2015<br>£        |
|---------------|------------------|------------------|
| Sale of goods | <u>8,042,597</u> | <u>8,050,265</u> |

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

## 4. Operating profit

|                                                               | 2016<br>£    | 2015<br>£    |
|---------------------------------------------------------------|--------------|--------------|
| <b>Operating profit is stated after charging/(crediting):</b> |              |              |
| Depreciation of tangible fixed assets                         | 102,599      | 79,695       |
| Gain on disposal of tangible assets                           | (3,745)      | (14,763)     |
| Operating lease rentals                                       | 162,458      | 169,894      |
| Defined contribution plans expense                            | 73,872       | 51,478       |
| Fees payable for the audit of the financial statements        | <u>3,600</u> | <u>3,350</u> |

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 5. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

|                | 2016      | 2015      |
|----------------|-----------|-----------|
| Administration | 6         | 6         |
| Parts          | 31        | 32        |
|                | <u>37</u> | <u>38</u> |

The aggregate payroll costs incurred during the year were:

|                       | 2016<br>£        | 2015<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,102,107        | 1,009,037        |
| Social security costs | 120,602          | 110,084          |
| Other pension costs   | 73,872           | 51,478           |
|                       | <u>1,296,581</u> | <u>1,170,599</u> |

### 6. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

|                                                                            | 2016<br>£      | 2015<br>£      |
|----------------------------------------------------------------------------|----------------|----------------|
| Remuneration                                                               | 64,730         | 63,388         |
| Company contributions to pension schemes in respect of qualifying services | 54,500         | 38,769         |
|                                                                            | <u>119,230</u> | <u>102,157</u> |

The number of directors who accrued benefits under company pension plans was as follows:

|                            | 2016<br>Number | 2015<br>Number |
|----------------------------|----------------|----------------|
| Defined contribution plans | <u>1</u>       | <u>1</u>       |

### 7. Other interest receivable and similar income

|               | 2016<br>£ | 2015<br>£ |
|---------------|-----------|-----------|
| Bank deposits | <u>25</u> | <u>20</u> |

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 8. Interest payable and similar charges

|                                            | 2016<br>£     | 2015<br>£     |
|--------------------------------------------|---------------|---------------|
| Bank loans and overdrafts                  | 20,798        | 28,111        |
| Finance leases and hire purchase contracts | 6,452         | 3,711         |
|                                            | <u>27,250</u> | <u>31,822</u> |

### 9. Tax on profit on ordinary activities

#### Major components of tax expense

|                                                | 2016<br>£     | 2015<br>£     |
|------------------------------------------------|---------------|---------------|
| <b>Current tax</b>                             |               |               |
| UK current tax expense                         | 12,138        | 49,762        |
| <b>Deferred tax</b>                            |               |               |
| Origination and reversal of timing differences | 6,007         | 17,691        |
| <b>Tax on profit on ordinary activities</b>    | <u>18,145</u> | <u>67,453</u> |

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2015: 20%).

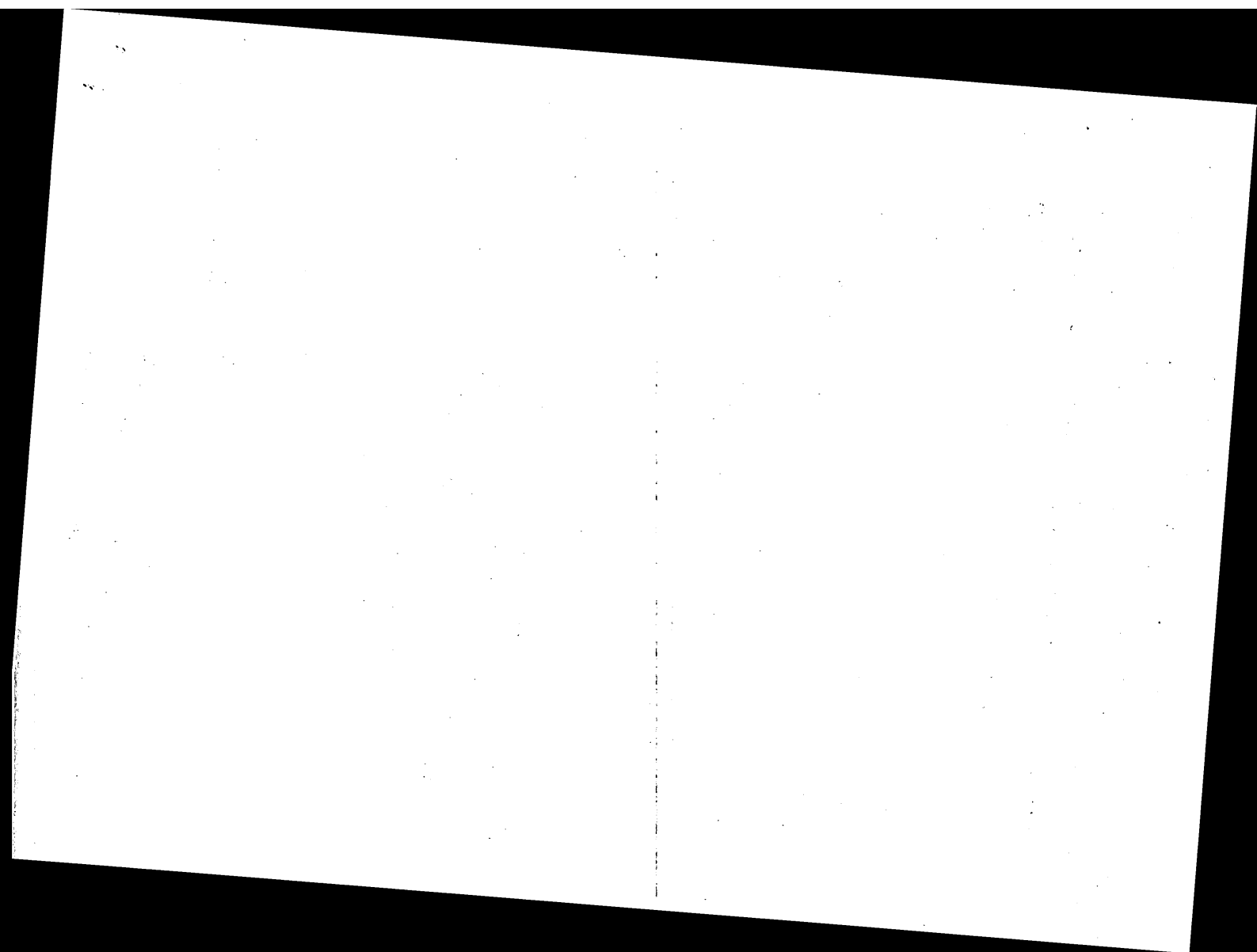
A reconciliation is given below:

|                                                    | 2016<br>£     | 2015<br>£     |
|----------------------------------------------------|---------------|---------------|
| Profit on ordinary activities before taxation      | 81,687        | 326,917       |
| Profit on ordinary activities by rate of tax       | 16,337        | 66,920        |
| Effect of expenses not deductible for tax purposes | 1,808         | 533           |
| <b>Tax on profit on ordinary activities</b>        | <u>18,145</u> | <u>67,453</u> |

### 10. Dividends

#### Equity dividends

|                                                                                                             | 2016<br>£     | 2015<br>£     |
|-------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Dividends paid during the year (excluding those for which a liability existed at the end of the prior year) | <u>61,020</u> | <u>61,020</u> |



# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 11. Tangible fixed assets

|                       | Short<br>leasehold<br>tenant's<br>improvements<br>£ | Plant and<br>machinery, etc.<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|-----------------------|-----------------------------------------------------|-----------------------------------|---------------------------------------------|------------------------|------------|
| <b>Cost</b>           |                                                     |                                   |                                             |                        |            |
| At 1st April 2015     | 45,393                                              | 50,266                            | 116,747                                     | 326,770                | 539,176    |
| Additions             | -                                                   | 5,625                             | 3,737                                       | 110,283                | 119,645    |
| Disposals             | -                                                   | -                                 | -                                           | (50,101)               | (50,101)   |
| At 31st March 2016    | 45,393                                              | 55,891                            | 120,484                                     | 386,952                | 608,720    |
| <b>Depreciation</b>   |                                                     |                                   |                                             |                        |            |
| At 1st April 2015     | 31,854                                              | 40,097                            | 101,813                                     | 157,364                | 331,128    |
| Charge for the year   | 3,678                                               | 3,839                             | 9,492                                       | 85,590                 | 102,599    |
| Disposals             | -                                                   | -                                 | -                                           | (46,454)               | (46,454)   |
| At 31st March 2016    | 35,532                                              | 43,936                            | 111,305                                     | 196,500                | 387,273    |
| <b>Net book value</b> |                                                     |                                   |                                             |                        |            |
| At 31st March 2016    | 9,861                                               | 11,955                            | 9,179                                       | 190,452                | 221,447    |
| At 31st March 2015    | 13,539                                              | 10,169                            | 14,934                                      | 169,406                | 208,048    |

### Obligations under finance leases

Included within the net book value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

|                    | Motor<br>vehicles<br>£ |
|--------------------|------------------------|
| At 31st March 2016 | 177,069                |
| At 31st March 2015 | 162,607                |

### 12. Stocks

|       | 2016<br>£ | 2015<br>£ |
|-------|-----------|-----------|
| Stock | 2,243,338 | 2,129,281 |

The amount of stock recognised as an expense in cost of sales during the period was £6,153,999 (2015 - £6,008,361).

Impairment losses recognised in profit and loss in respect of stock during the period were £96,219 (2015 - £82,663).

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 13. Debtors

|                                | 2016<br>£        | 2015<br>£        |
|--------------------------------|------------------|------------------|
| Trade debtors                  | 1,741,218        | 1,637,946        |
| Prepayments and accrued income | 56,124           | 45,597           |
| Other debtors                  | 4,770            | 5,970            |
|                                | <u>1,802,112</u> | <u>1,689,513</u> |

Impairment losses recognised in profit and loss in respect of trade debtors during the period were £3,000 (2015 - £3,155).

### 14. Cash and cash equivalents

Cash and cash equivalents comprise the following:

|                          | 2016<br>£     | 2015<br>£        |
|--------------------------|---------------|------------------|
| Cash at bank and in hand | 22,123        | 1,098            |
| Bank overdrafts          | -             | (181,142)        |
|                          | <u>22,123</u> | <u>(180,044)</u> |

### 15. Creditors: amounts falling due within one year

|                                     | 2016<br>£        | 2015<br>£        |
|-------------------------------------|------------------|------------------|
| Bank loans and overdrafts (secured) | 104,607          | 288,285          |
| Trade creditors                     | 1,815,698        | 1,553,630        |
| Accruals and deferred income        | 25,641           | 11,583           |
| Corporation tax                     | 12,138           | 49,762           |
| Social security and other taxes     | 128,850          | 163,750          |
| Obligations under finance leases    | 81,580           | 56,670           |
|                                     | <u>2,168,514</u> | <u>2,123,680</u> |

The bank loan is secured by a bond and floating charge over the whole assets of the company.  
Net obligations under hire purchase contracts are secured on the assets acquired.

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 16. Creditors: amounts falling due after more than one year

|                                                                  | 2016<br>£      | 2015<br>£      |
|------------------------------------------------------------------|----------------|----------------|
| Bank loans and overdrafts                                        | 326,840        | 107,143        |
| Net obligations under finance leases and hire purchase contracts | 71,390         | 83,370         |
|                                                                  | <u>398,230</u> | <u>190,513</u> |

### 17. Obligations under finance leases and hire purchase contracts

#### Company lessee

The total future minimum lease payments under hire purchase and finance lease agreements are as follows:

|                                                   | 2016<br>£      | 2015<br>£      |
|---------------------------------------------------|----------------|----------------|
| Not later than one year                           | 81,580         | 56,670         |
| Later than one year and not later than five years | 71,390         | 83,369         |
| Present value of minimum lease payments           | <u>152,970</u> | <u>140,039</u> |

### 18. Deferred tax

The deferred tax included in the balance sheet is as follows:

|                                  | 2016<br>£     | 2015<br>£     |
|----------------------------------|---------------|---------------|
| Included in provisions (Note 19) | <u>36,529</u> | <u>30,522</u> |

The deferred tax account consists of the tax effect of timing differences in respect of:

|                                | 2016<br>£     | 2015<br>£     |
|--------------------------------|---------------|---------------|
| Accelerated capital allowances | <u>36,529</u> | <u>30,522</u> |

### 19. Provisions

|                    | Deferred tax<br>(Note 18)<br>£ |
|--------------------|--------------------------------|
| At 1st April 2015  | 30,522                         |
| Additions          | 6,007                          |
| At 31st March 2016 | <u>36,529</u>                  |

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 20. Called up share capital

#### Issued, called up and fully paid

|                            | 2016          |               | 2015          |               |
|----------------------------|---------------|---------------|---------------|---------------|
|                            | Number        | £             | Number        | £             |
| Ordinary shares of £1 each | <u>17,500</u> | <u>17,500</u> | <u>17,500</u> | <u>17,500</u> |

Each ordinary share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distributions, including a distribution arising from a winding up of the company

### 21. Reserves

|                               | Share premium account<br>£ | Profit and loss account<br>£ | Capital redemption reserve<br>£ | Total<br>£       |
|-------------------------------|----------------------------|------------------------------|---------------------------------|------------------|
| At 1st April 2015             | 5,000                      | 1,640,225                    | 20,500                          | 1,665,725        |
| Profit for the financial year | -                          | 63,542                       | -                               | 63,542           |
| Dividends                     | -                          | (61,020)                     | -                               | (61,020)         |
| At 31st March 2016            | <u>5,000</u>               | <u>1,642,747</u>             | <u>20,500</u>                   | <u>1,668,247</u> |

Share premium account:

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital redemption reserve:

This reserve records the nominal value of shares repurchased by the company.

### 22. Operating leases

#### The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

|                                                   | 2016<br>£      | 2015<br>£      |
|---------------------------------------------------|----------------|----------------|
| Not later than one year                           | 17,626         | 43,301         |
| Later than one year and not later than five years | 338,475        | 354,809        |
| Later than five years                             | <u>130,000</u> | <u>-</u>       |
|                                                   | <u>486,101</u> | <u>398,110</u> |

# Nortruck Services Limited

## Notes to the Financial Statements (continued) for the year ended 31st March 2016



### 23. Related party transactions

The company transacts business in the normal course of trade with Normac Oils Limited in which Duncan W. McIntosh has an interest. The value of the transactions during the year to 31st March 2016 was:

|                       | 2016<br>£      | 2015<br>£        |
|-----------------------|----------------|------------------|
| Purchases from Normac | <u>38,648</u>  | <u>12,606</u>    |
| Sales to Normac       | 774,649        | 920,593          |
| Recharge of overheads | <u>153,842</u> | <u>140,791</u>   |
|                       | <u>928,491</u> | <u>1,061,384</u> |

At 31st March 2016 the balances due to/by Normac were £7,466 (2015 - £11,754) and £138,889 (2015 - £152,912) respectively.

During the year dividends were paid to key management personnel of £45,765 (2015 - £45,765).

A personal guarantee for a bank loan for £100,000 is provided by Duncan W. McIntosh.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £119,230 (2015 - £102,157).

### 24. Controlling party

Duncan W. McIntosh, director, together with members of his close family, controls the company by virtue of his holding (directly or indirectly) of 100% of the issued ordinary share capital.

### 25. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st April 2014.

#### Reconciliation of equity

No transitional adjustments were required.

#### Reconciliation of profit or loss for the year

No transitional adjustments were required.