

REGISTERED NUMBER: SC346549

ABBREVIATED AUDITED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

FOR

PETER MCKERRAL & CO LTD

FRIDAY



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21/12/2012

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COMPANIES HOUSE

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FOR THE YEAR ENDED 31 MARCH 2012**

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**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report with the accounts of the company for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of freight transport by road.

REVIEW OF BUSINESS

The directors are pleased to report another year of continued growth seeing turnover rise to £7.7m, an increase of 23%.

The directors believe that, by maintaining a broad customer base, exposure to a contraction in size at the same rate is mitigated as far as possible. The company is still exposed to the volatile state of the economy.

The directors consider that the high utilisation of the fleet of 44 vehicles is a good indicator of continued success.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2012 will be £127,600.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report.

Mrs C McKerral
D M McKerral
D McKerral
P McKerral
R M McKerral

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

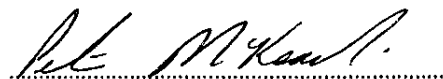
PETER MCKERRAL & CO LTD (REGISTERED NUMBER: SC346549)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

AUDITORS

The auditors, Martin Aitken & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


P McKerral - Director

Date: 10/12/12

**REPORT OF THE INDEPENDENT AUDITORS TO
PETER MCKERRAL & CO LTD
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages four to sixteen, together with the full financial statements of Peter McKerral & Co Ltd for the year ended 31 March 2012 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

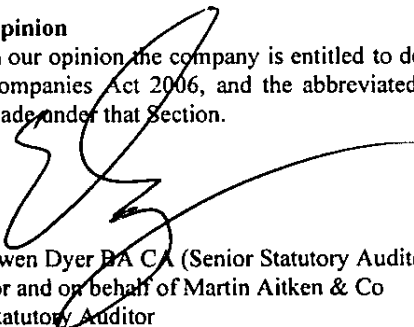
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Ewen Dyer BA CA (Senior Statutory Auditor)
for and on behalf of Martin Aitken & Co
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

Date: 10/12/12

PETER MCKERRAL & CO LTD (REGISTERED NUMBER: SC346549)

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012 £	2011 £
TURNOVER		7,668,858	6,213,976
Cost of sales and other operating income		(6,043,319)	(4,828,729)
		1,625,539	1,385,247
Administrative expenses		1,002,995	886,226
OPERATING PROFIT	3	622,544	499,021
Interest receivable and similar income		51	6
		622,595	499,027
Interest payable and similar charges	4	66,551	71,763
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		556,044	427,264
Tax on profit on ordinary activities	5	135,433	193,994
PROFIT FOR THE FINANCIAL YEAR		420,611	233,270

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

PETER MCKERRAL & CO LTD (REGISTERED NUMBER: SC346549)

**ABBREVIATED BALANCE SHEET
31 MARCH 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	7	370,833	420,833
Tangible assets	8	2,198,450	2,037,544
		<u>2,569,283</u>	<u>2,458,377</u>
CURRENT ASSETS			
Stocks	9	12,008	13,441
Debtors	10	1,103,390	987,018
Cash at bank and in hand		160,195	116,784
		<u>1,275,593</u>	<u>1,117,243</u>
CREDITORS			
Amounts falling due within one year	11	2,625,901	2,603,186
NET CURRENT LIABILITIES		<u>(1,350,308)</u>	<u>(1,485,943)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,218,975</u>	<u>972,434</u>
CREDITORS			
Amounts falling due after more than one year	12	(835,608)	(837,543)
PROVISIONS FOR LIABILITIES	15	(56,133)	(100,668)
NET ASSETS		<u><u>327,234</u></u>	<u><u>34,223</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	1,000	1,000
Profit and loss account	17	326,234	33,223
SHAREHOLDERS' FUNDS	20	<u><u>327,234</u></u>	<u><u>34,223</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 10/12/12 and were signed on its behalf by:


P McKerral - Director

The notes form part of these abbreviated accounts

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

		2012	2011
	Notes	£	£
Net cash inflow from operating activities	1	1,180,301	1,152,757
Returns on investments and servicing of finance	2	(66,500)	(71,757)
Taxation		(154,999)	-
Capital expenditure	2	(852,616)	(701,593)
Equity dividends paid		(127,600)	(127,600)
		(21,414)	251,807
Financing	2	64,825	(50,341)
Increase in cash in the period		43,411	201,466
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		43,411	201,466
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(107,625)	4,447
Change in net debt resulting from cash flows		(64,214)	205,913
Movement in net debt in the period		(64,214)	205,913
Net debt at 1 April		(1,115,147)	(1,321,060)
Net debt at 31 March		(1,179,361)	(1,115,147)

The notes form part of these abbreviated accounts

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	£	£
Operating profit	622,544	499,021
Depreciation charges	774,013	713,338
Profit on disposal of fixed assets	(32,302)	(22,412)
Decrease in stocks	1,433	4,697
Increase in debtors	(116,372)	(258,869)
(Decrease)/increase in creditors	(69,015)	216,982
Net cash inflow from operating activities	<u>1,180,301</u>	<u>1,152,757</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	51	6
Interest paid	(87)	(501)
Interest element of hire purchase payments	(66,464)	(71,262)
Net cash outflow for returns on investments and servicing of finance	<u>(66,500)</u>	<u>(71,757)</u>
Capital expenditure		
Purchase of tangible fixed assets	(1,012,115)	(943,017)
Sale of tangible fixed assets	159,499	241,424
Net cash outflow for capital expenditure	<u>(852,616)</u>	<u>(701,593)</u>
Financing		
Capital repayments in year	107,625	(4,447)
Amount introduced by directors	-	125,131
Amount withdrawn by directors	(42,800)	(171,025)
Net cash inflow/(outflow) from financing	<u>64,825</u>	<u>(50,341)</u>

The notes form part of these abbreviated accounts

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.11 £	Cash flow £	At 31.3.12 £
Net cash:			
Cash at bank and in hand	116,784	43,411	160,195
	<u>116,784</u>	<u>43,411</u>	<u>160,195</u>
Debt:			
Hire purchase	(1,231,931)	(107,625)	(1,339,556)
	<u>(1,231,931)</u>	<u>(107,625)</u>	<u>(1,339,556)</u>
Total	<u>(1,115,147)</u>	<u>(64,214)</u>	<u>(1,179,361)</u>

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of the business and the aggregate fair value of its separate assets. Goodwill is amortised evenly over its estimated useful life of 10 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold improvements	- 10% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Replacement cost would not be materially different.

Deferred tax

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

2. STAFF COSTS

	2012	2011
	£	£
Wages and salaries	1,619,366	1,579,198
Other pension costs	40,000	19,200
	<u>1,659,366</u>	<u>1,598,398</u>

The average monthly number of employees during the year was as follows:

	2012	2011
Directors	5	5
Staff	48	43
	<u>53</u>	<u>48</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2012	2011
	£	£
Hire of plant and machinery	5,602	9,525
Other operating leases	86,244	58,843
Depreciation - owned assets	97,575	168,517
Depreciation - assets on hire purchase contracts	626,437	494,821
Profit on disposal of fixed assets	(32,302)	(22,412)
Goodwill amortisation	50,000	50,000
Auditor's remuneration	13,300	5,655
	<u>37,697</u>	<u>30,093</u>
Directors' remuneration	33,000	18,000
Directors' pension contributions to money purchase schemes		

The number of directors to whom retirement benefits were accruing was as follows:

	2012	2011
Money purchase schemes	3	3

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank interest	87	501
Hire purchase	66,464	71,262
	<u>66,551</u>	<u>71,763</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2012 £	2011 £
Current tax:		
UK corporation tax	180,769	155,800
Under/(Over) provision of previous year corporation tax	(801)	-
Total current tax	179,968	155,800
Deferred tax	(44,535)	38,194
Tax on profit on ordinary activities	<u>135,433</u>	<u>193,994</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2012 £	2011 £
Profit on ordinary activities before tax	<u>556,044</u>	<u>427,264</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 28%)	144,571	119,634
Effects of:		
Expenses not deductible for tax purposes	290	496
Depreciation in excess of capital allowances	47,321	56,930
Utilisation of tax losses	-	(5,672)
Adjustments to tax charge in respect of previous periods	(801)	-
Marginal relief	(11,413)	(15,588)
Current tax charge	<u>179,968</u>	<u>155,800</u>

6. DIVIDENDS

	2012 £	2011 £
Final	<u>127,600</u>	<u>127,600</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2011	
and 31 March 2012	500,000
AMORTISATION	
At 1 April 2011	79,167
Amortisation for year	50,000
At 31 March 2012	129,167
NET BOOK VALUE	
At 31 March 2012	370,833
At 31 March 2011	420,833

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of ten years.

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2011	84,075	37,000	19,178
Additions	24,408	28,521	-
At 31 March 2012	108,483	65,521	19,178
DEPRECIATION			
At 1 April 2011	11,069	12,752	6,892
Charge for year	10,848	13,193	3,071
Eliminated on disposal	-	-	-
At 31 March 2012	21,917	25,945	9,963
NET BOOK VALUE			
At 31 March 2012	86,566	39,576	9,215
At 31 March 2011	73,006	24,248	12,286

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2011	2,855,229	951	2,996,433
Additions	959,186	-	1,012,115
Disposals	(212,830)	-	(212,830)
At 31 March 2012	3,601,585	951	3,795,718
DEPRECIATION			
At 1 April 2011	927,736	440	958,889
Charge for year	696,730	170	724,012
Eliminated on disposal	(85,633)	-	(85,633)
At 31 March 2012	1,538,833	610	1,597,268
NET BOOK VALUE			
At 31 March 2012	2,062,752	341	2,198,450
At 31 March 2011	1,927,493	511	2,037,544

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 April 2011	2,086,349
Additions	882,256
Disposals	(134,235)
Transfer to ownership	(168,672)
At 31 March 2012	2,665,698
DEPRECIATION	
At 1 April 2011	677,633
Charge for year	626,437
Eliminated on disposal	(48,241)
Transfer to ownership	(177,048)
At 31 March 2012	1,078,781
NET BOOK VALUE	
At 31 March 2012	1,586,917
At 31 March 2011	1,408,716

9. STOCKS

	2012 £	2011 £
Stocks	12,008	13,441

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	1,083,334	963,361
Prepayments	20,056	23,657
	<u>1,103,390</u>	<u>987,018</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Hire purchase contracts (see note 13)	678,948	569,388
Trade creditors	407,421	481,507
Tax	180,769	155,800
Social security and other taxes	38,294	32,528
VAT	101,972	98,751
Other creditors	68,564	62,960
Directors' current accounts	1,074,031	1,116,830
Accrued expenses	75,902	85,422
	<u>2,625,901</u>	<u>2,603,186</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Hire purchase contracts (see note 13)	660,608	662,543
Directors' current accounts	175,000	175,000
	<u>835,608</u>	<u>837,543</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2012	2011
	£	£
Net obligations repayable:		
Within one year	678,948	569,388
Between one and five years	660,608	662,543
	<u>1,339,556</u>	<u>1,231,931</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2012 £	2011 £	2012 £	2011 £
Expiring:				
Within one year	-	-	20,512	-
In more than five years	59,500	17,500	-	-
	<u>59,500</u>	<u>17,500</u>	<u>20,512</u>	<u>-</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	2012 £	2011 £
Hire purchase contracts	<u>1,339,586</u>	<u>1,231,931</u>

15. PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Deferred tax	<u>56,133</u>	<u>100,668</u>
		Deferred tax £
Balance at 1 April 2011		100,668
Accelerated capital allowances		(44,535)
Balance at 31 March 2012		<u>56,133</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2012 £	2011 £
Number:	Class:			
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

17. RESERVES

	Profit and loss account £
At 1 April 2011	33,223
Profit for the year	420,611
Dividends	(127,600)
At 31 March 2012	<u>326,234</u>

18. PENSION COMMITMENTS

The company operates defined contribution pension schemes, the assets of which are held in separate funds. The company directors are members of a self administered pension scheme operated by the company. The amount paid in the year and charged to the profit and loss account amounted to £40,000 (2011 : £19,200), of which £33,000 (2011 : £18,000) was in respect of the directors. There are no outstanding or prepaid contributions at the year.

19. RELATED PARTY DISCLOSURES

The company has no ultimate controlling party.

The balance due from the company to the directors at 31 March 2012 is £1,249,031 (2011 : £1,291,830), of this £1,074,031 (2011 : £1,116,830) is interest free and repayable on demand, the balance £175,000 (2011 : £175,000) is also interest free however the directors have deferred repayment in the foreseeable future.

There is also a loan of £68,564 (2011 : £62,960) due to Mr C McKerral , a related party of the company by way of his close family relationship with the other company directors. This balance is included within other creditors, and is interest free and repayable upon demand.

During the year dividends of £127,600 (2011 : £127,600) were declared and paid. The directors D McKerral, P McKerral and R M McKerral each received £35,000 (2011 : £31,900).

The company occupies premises owned by The McKerral Pension Trust. The rent for the year was £29,500 (2011 : £16,042).

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	420,611	233,270
Dividends	(127,600)	(127,600)
Net addition to shareholders' funds	<u>293,011</u>	<u>105,670</u>
Opening shareholders' funds	34,223	(71,447)
Closing shareholders' funds	<u>327,234</u>	<u>34,223</u>