

TURRIFF TRANSPORT CONSULTANTS LIMITED

151794

DIRECTOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1999

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TURRIFF TRANSPORT CONSULTANTS LIMITED

COMPANY INFORMATION

Director W S Walker (Appointed 11 December 1999)

Secretary K G Irons

Company number SC151794

Registered office 7 Queens Terrace
Aberdeen
AB10 1XL

Business address Shandonan
The Belts
Delgaty
Turriff
Aberdeenshire
AB53 5PN

Auditors Hall Morrice & Partners
7 Queens Terrace
Aberdeen
AB10 1XL

Bankers Clydesdale Bank
1 Main Street
Turriff
AB53 4AA

Solicitors Iain Smith & Company
18/20 Queens Road
Aberdeen
AB15 4ZT

TURRIFF TRANSPORT CONSULTANTS LIMITED

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TURRIFF TRANSPORT CONSULTANTS LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

The director presents his report and financial statements for the year ended 31 December 1999.

Principal activities

The principal activity of the company is the operation of a general transportation agency.

Directors

The following directors have held office since 1 January 1999:

W S Walker	(Appointed 11 December 1999)
Mrs J Weaver	(Resigned 10 December 1999)

Director's Interests

The director's beneficial interest in the shares of the company was as stated below:

	Ordinary shares of £1 each	
	31 December 1999	1 January 1999
W S Walker	100	100

Director's responsibilities

Company law requires the director to prepare financial statements for each financial year which 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 those financial statements, the director is required to:

- select suitable accounting policies and then 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. 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

Hall Morrice & Partners have expressed their willingness to continue in office.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



W S Walker
Director

13 July 2000

TURRIFF TRANSPORT CONSULTANTS LIMITED

AUDITOR'S REPORT TO THE SHAREHOLDERS OF TURRIFF TRANSPORT CONSULTANTS LIMITED

We have audited the financial statements on pages 3 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the director and auditors

As described on page 1 the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



Hall Morrice & Partners

Registered Auditors

13 July 2000

TURRIFF TRANSPORT CONSULTANTS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

	1999	1998
£	£	£
INCOME		
Haulage and Other Related Services	809,383	959,732
COST OF SALES		
Subcontractors	256,079	340,455
Vehicle and Equipment Hire	2,114	7,136
Contract Hire (including Full Maintenance)	38,691	76,265
Fuel and Oil	175,121	177,562
Vehicle Insurances	13,433	15,144
Other Vehicle Expenses	39,685	45,970
Drivers' Wages and National Insurance	97,852	114,496
Transport Manager Salary and National Insurance	16,417	9,673
Travel and Subsistence	21,622	23,523
	661,014	810,224
GROSS PROFIT	148,369	149,508
Gain on Sale of Fixed Assets	-	2,166
Bank Deposit Interest	1,096	2,161
	149,465	153,835
EXPENSES		
Director's Remuneration and National Insurance	1,082	3,943
Business Insurance	7,616	3,636
Telephone and Fax	5,103	5,612
Heat, Light and Power	808	1,112
Postage, Stationery and Advertising	7,117	3,674
Entertaining	1,447	5,492
General Expenses	3,988	5,688
Legal and Professional Fees	9,777	5,802
Bank Charges	883	1,194
Bad Debts	-	1,500
Hire Purchase Interest	10,802	13,608
Bank Interest	-	95
Interest on Late Payment of Taxation	-	597
Loss on Sale of Fixed Assets	938	-
Depreciation	47,636	45,337
	97,197	97,290
PROFIT FOR YEAR	52,268	56,545

TURRIFF TRANSPORT CONSULTANTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	1999 £	1998 £
Turnover		809,383	959,732
Cost of sales		(661,014)	(810,224)
Gross profit		148,369	149,508
Administrative expenses		(85,457)	(82,990)
		62,912	66,518
Operating profit	2	62,912	66,518
Gain/(Loss) on sale of fixed assets		(938)	2,166
Interest receivable		1,096	2,161
Interest payable		(10,802)	(14,300)
Profit on ordinary activities before taxation		52,268	56,545
Tax on profit on ordinary activities	3	(15,903)	(9,174)
Profit for the financial year		36,365	47,371
Dividends		(45,000)	-
Retained (loss)/profit for the year	10	(8,635)	47,371

TURRIFF TRANSPORT CONSULTANTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1999

	Notes	£	1999 £	£	1998 £
Fixed assets					
Tangible assets	4		236,530		243,419
Current assets					
Stocks		2,500		400	
Debtors	5	212,039		275,353	
Cash at bank		50,796		22,079	
			<u>265,335</u>	<u>297,832</u>	
Creditors: amounts falling due within one year	6	(235,648)		(290,083)	
Net current assets			<u>29,687</u>		<u>7,749</u>
Total assets less current liabilities			<u>266,217</u>		<u>251,168</u>
Creditors: amounts falling due after more than one year	7		(69,973)		(49,201)
Provisions for liabilities and charges	8		(21,461)		(18,549)
Net assets			<u><u>174,783</u></u>		<u><u>183,418</u></u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		<u>174,683</u>		<u>183,318</u>
Equity shareholder's funds			<u><u>174,783</u></u>		<u><u>183,418</u></u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the director on 13 July 2000



W S Walker
Director

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

1.2 Turnover

Turnover represents the total amount of work done during the year, net of Value Added Tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Lorries and trailers	20% reducing balance
Equipment	20% straight line
Motor vehicles	25% reducing balance

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.5 Deferred Taxation

The company provides for deferred taxation at the current rates of tax on timing differences, except where it can be reasonably demonstrated that no corporation tax liabilities will arise in the foreseeable future.

1.6 Hire Purchase Contracts

Assets held under hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The capitalised elements of future obligations under the hire purchase contracts are included as liabilities in the balance sheet.

The Interest elements of the hire purchase obligations are charged in the profit and loss account over the periods of the contracts and represent a constant proportion of the balance of capital repayments outstanding.

1.7 Operating Leases

The costs of operating leases are charged to the Profit and Loss Account as they accrue.

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

2	Operating profit	1999	1998
		£	£
	Operating profit is stated after charging:		
	Depreciation		
	- Owned Fixed Assets	7,681	6,313
	- Fixed Assets held under Hire Purchase/ Leasing Contracts	39,955	39,024
		<hr/>	<hr/>
	Total Depreciation	47,636	45,337
	Director's emoluments	1,000	3,630
	Auditors' remuneration	2,500	2,500
		<hr/>	<hr/>
3	Taxation	1999	1998
		£	£
	Tax on profits for the year	12,991	7,361
	Transfer to deferred taxation	2,912	1,813
		<hr/>	<hr/>
		15,903	9,174
		<hr/>	<hr/>

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

4 Tangible fixed assets

	Lorries and trailers £	Equipment £	Motor vehicles £	Total £
Cost				
At 1 January 1999	284,697	6,966	34,240	325,903
Additions	39,785	498	37,500	77,783
Disposals	(40,147)	-	(33,990)	(74,137)
At 31 December 1999	284,335	7,464	37,750	329,549
Depreciation				
At 1 January 1999	64,747	4,337	13,400	82,484
On disposals	(22,049)	-	(15,053)	(37,102)
Charge for the year	42,867	1,427	3,343	47,637
At 31 December 1999	85,565	5,764	1,690	93,019
Net book value				
At 31 December 1999	198,770	1,700	36,060	236,530
At 31 December 1998	219,950	2,629	20,840	243,419

Included above are assets held under finance leases or hire purchase contracts as follows:

	Lorries and trailers £	Motor vehicles £	Total £
Net book values			
At 31 December 1999	189,940	35,940	225,880
At 31 December 1998	139,250	15,430	154,680
Depreciation charge for the year			
31 December 1999	38,395	1,560	39,955
31 December 1998	33,874	5,150	39,024

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

5 Debtors	1999 £	1998 £
Trade debtors	170,581	214,356
Other debtors	41,458	60,997
	<u>212,039</u>	<u>275,353</u>

Included in Other debtors at 31 December 1998 was an employee loan account of £53,166. The maximum balance during the year to 31 December 1999 was £62,353 which occurred in July 1999. The employee subsequently repaid £38,374 and the remaining balance of £23,979 was transferred to the director's loan account on 11 December 1999 when the employee, Mr W S Walker was appointed director of the company. The loan was interest free and there were no set repayment terms during the current or previous accounting periods.

Included in other debtors at 31 December 1999 is a director's loan account balance due by sole director, Mr W S Walker of £24,393 which represents the maximum balance outstanding during the year. The loan is interest free and there are no set repayment terms. This is contrary to s330 of the Companies Act 1985.

6 Creditors: amounts falling due within one year	1999 £	1998 £
Bank overdraft	5,947	6,682
Trade creditors	85,503	222,887
Hire purchase accounts	78,064	46,564
Taxation and social security	24,476	10,441
Dividends proposed	30,000	-
Other creditors	11,658	3,509
	<u>235,648</u>	<u>290,083</u>

7 Creditors: amounts falling due after more than one year	1999 £	1998 £
Hire purchase accounts	<u>69,973</u>	<u>49,201</u>

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

8 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 January 1999	18,549
Profit and loss account	2,912
	<u>21,461</u>
Balance at 31 December 1999	<u>21,461</u>

Deferred tax is provided at 20% (1998- 21%) analysed over the following timing differences:

	Fully provided 1999 £	1998 £
Accelerated capital allowances	21,461	18,549
	<u>21,461</u>	<u>18,549</u>

9 Share capital

	1999 £	1998 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 1999	183,318
Retained loss for the year	(8,635)
	<u>174,683</u>
Balance at 31 December 1999	<u>174,683</u>

TURRIFF TRANSPORT CONSULTANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

11 Financial commitments

At 31 December 1999 the company had annual commitments under non-cancellable operating leases as follows:

	1999 £	1998 £
Expiry date:		
Within one year	-	35,456
Between two and five years	37,200	-
	<u>37,200</u>	<u>35,456</u>

12 Related party transactions

During the year, the company sold a motor vehicle to sole director, Mr W S Walker. The transfer value of the motor vehicle was its book value at the date of sale.

As at 31 December 1998, there was an employee loan account of £53,166. The employee was further advanced £9,187 during the year and the employee subsequently repaid £38,374. The remaining balance of £23,979 was transferred to the director's loan account on 11 December 1999 when the employee, Mr W S Walker was appointed director of the company. The director was further advanced £414 and the balance at 31 December 1999 stood at £24,393 due to the company. This is included in 'Other debtors' in note 5 to the accounts.

13 Control

The company was controlled in the current and prior accounting periods by sole director, Mr W S Walker by virtue of the fact he owns 100% of the issued share capital.