



Grant Thornton 



**C D JORDAN AND SON
(TRANSPORT) LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 1998

Company no 533750

C D JORDAN AND SON (TRANSPORT) LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 1998

Company registration number: 533750

Registered office: Dundas Spur
Dundas Lane
Portsmouth
Hampshire
PO3 5NX

Directors: Mrs J E Stevenson
Mrs E J Foote
Mr G S Colwell
Mrs W A Harding
Mrs S A Cooper

Secretary: Mrs J E Stevenson

Bankers: National Westminster Bank plc
69 - 73 High Street
Cosham
Portsmouth
Hampshire
PO6 3DA

Solicitors: Blake Lapthorn
New Court
1 Barnes Wallis Road
Segensworth
Fareham
PO15 5UA

Auditors: Grant Thornton
Registered auditors
Chartered accountants
Enterprise House
Isambard Brunel Road
Portsmouth
PO1 2RZ

C D JORDAN AND SON (TRANSPORT) LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 1998

INDEX	PAGE
Report of the directors	1 - 2
Report of the auditors	3
Principal accounting policies	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 12

C D JORDAN AND SON (TRANSPORT) LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 March 1998.

Principal activities

The company is principally engaged in the activity of haulage.

Business review

A review of the years trading and future developments is set out in the directors' report of the parent undertaking.

There was a loss for the year after taxation amounting to £25,576 (1997: profit £18,179). The directors do not recommend payment of a dividend and the loss has therefore been deducted from reserves.

Directors

The present membership of the Board is set out below.

None of the directors had any interest in the shares of the company during the year. The interests of the directors in the shares of the parent company as at 31 March 1998 and 1 April 1997, are shown in those accounts.

Mrs J E Stevenson
Mrs E J Foote
Mr G S Colwell
Mrs W A Harding
Mrs S A Cooper

Fixed assets

The principal items of capital expenditure are detailed in note 5 to the financial statements.

Year 2000 Compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the Year 2000. The risk to the business relates not only to the company's computer systems, but also to some degree on those of our customers and suppliers.

The company has reviewed its computer systems for the impact of the Year 2000 date change. An impact analysis has been prepared to identify the major risks, and action plans have been developed to address these in advance of critical dates. The plans give priority to the systems which could have a significant financial or legal impact if they were to fail.

The main systems affected are the accounting and management information systems, which will be Year 2000 compliant by the end of June 1999.

The company has requested from its major customers, suppliers and other trading partners with whom information is exchanged electronically, confirmation that their relevant systems are Year 2000 compliant.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the board believes that its plans and the resources allocated are appropriate and adequate to address the issue.

C D JORDAN AND SON (TRANSPORT) LIMITED

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements

Company law requires the directors 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 directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

J. E. Stevenson

J E Stevenson
Secretary
20 November 1998

**REPORT OF THE AUDITORS TO THE MEMBERS OF
C D JORDAN AND SON (TRANSPORT) LIMITED**

We have audited the financial statements on pages 4 to 12 which have been prepared under the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the 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.

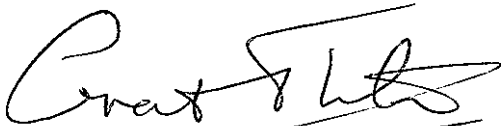
Basis of opinion

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 directors 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 March 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

PORTSMOUTH
20 November 1998

C D JORDAN AND SON (TRANSPORT) LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

TURNOVER

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

DEPRECIATION

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets on a reducing balance basis over their expected useful lives. The rates generally applicable are:

Leasehold buildings	over the term of the lease
Plant and machinery	15-25%
Motor vehicles	25%

STOCKS

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

DEFERRED TAXATION

Deferred tax is provided using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

C D JORDAN AND SON (TRANSPORT) LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 1998

	Note	1998 £	1997 £
Turnover	1	1,341,069	1,263,123
Cost of sales		(1,069,464)	(968,736)
Gross profit		271,605	294,387
Administrative expenses		(280,002)	(273,805)
Other operating income		-	24,871
Operating loss		(8,397)	45,453
Other interest receivable and similar income		-	106
Interest payable and similar charges	2	(27,097)	(21,333)
Loss on ordinary activities before taxation	1	(35,494)	24,226
Tax on loss on ordinary activities	4	9,918	(6,047)
Loss transferred from reserves	12	(25,576)	18,179

There were no recognised gains or losses other than the loss for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

C D JORDAN AND SON (TRANSPORT) LIMITED

BALANCE SHEET AT 31 MARCH 1998

	Note	1998 £	1997 £
Fixed assets			
Tangible assets	5	512,045	585,775
		<u>512,045</u>	<u>585,775</u>
Current assets			
Stocks	6	13,421	7,934
Debtors	7	186,472	143,970
Cash at bank and in hand		53	109
		<u>199,946</u>	<u>152,013</u>
Creditors: amounts falling due within one year	8	(641,535)	(591,585)
Net current liabilities		<u>(441,589)</u>	<u>(439,572)</u>
Total assets less current liabilities		<u>70,456</u>	<u>146,203</u>
Creditors: amounts falling due after more than one year	9	(48,909)	(99,380)
Provisions for liabilities and charges	10	(3,200)	(2,900)
		<u>18,347</u>	<u>43,923</u>
Capital and reserves			
Called up share capital	11	1,000	1,000
Profit and loss account	12	17,347	42,923
Shareholders' funds	13	<u>18,347</u>	<u>43,923</u>

The financial statements were approved by the Board of Directors on 20 November 1998

J E Stevenson

Director

J. E. Stevenson

The accompanying accounting policies and notes form an integral part of these financial statements.

C D JORDAN AND SON (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1998

1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and loss before taxation are attributable to one activity, that of haulage.

The loss on ordinary activities is stated after:

	1998 £	1997 £
Auditors' remuneration:		
Audit services	1,600	1,500
Non-audit services	1,000	700
Depreciation and amortisation:		
Tangible fixed assets, owned	64,569	64,250
Tangible fixed assets, held under finance leases and hire purchase contracts	62,067	86,176
Hire of plant and machinery	1,859	8,127
Other operating lease rentals	12,085	12,382
Profit on disposal of tangible fixed assets	(3,389)	(3,257)
Other operating income includes:		
Rent receivable in respect of:		
Net income of rents from land	-	24,871

2 INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
On bank loans, overdrafts and other loans:		
Repayable within 5 years, by instalments	6,990	5,289
Finance charges in respect of finance leases	20,107	16,044
Other interest receivable and similar income	-	(106)
	27,097	21,227

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	1998 £	1997 £
Wages and salaries	391,891	407,547
Social security costs	39,001	41,508
Other pension costs	12,388	-
	443,280	449,055

C D JORDAN AND SON (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1998

The average number of employees of the company during the year were as follows:

	1998 Number	1997 Number
Direct labour	20	20
Office	2	1
Directors	5	5
	27	26

The directors received no emoluments from the company during the year (1997 £nil)

4 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax credit is based on the loss for the year and represents:

	1998 £	1997 £
UK Corporation tax at 24% (1997: 25%)	-	6,000
Group relief	(9,057)	-
Deferred taxation	300	47
	(8,757)	6,047
Adjustments in respect of prior periods:		
Corporation tax	(1,161)	-
	(9,918)	6,047

C D JORDAN AND SON (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1998

5 TANGIBLE FIXED ASSETS

	Long Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 1997	142,465	93,490	998,276	8,347	1,242,578
Additions	-	3,568	53,684	-	57,252
Disposals	-	-	(39,456)	-	(39,456)
At 31 March 1998	142,465	97,058	1,012,504	8,347	1,260,374
Depreciation					
At 1 April 1997	4,070	49,117	599,960	3,656	656,803
Provided in the year	2,035	11,985	111,913	703	126,636
Eliminated on disposals	-	-	(35,110)	-	(35,110)
At 31 March 1998	6,105	61,102	676,763	4,359	748,329
Net book amount at 31 March 1998	136,360	35,956	335,741	3,988	512,045
Net book amount at 31 March 1997	138,395	44,373	398,316	4,691	585,775

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Motor vehicles £
Net book amount at 31 March 1998	186,202
Net book amount at 31 March 1997	258,527
Depreciation provided during year	62,067

6 STOCKS

	1998 £	1997 £
Stock of spare parts and lubricants	13,421	7,934
	13,421	7,934

C D JORDAN AND SON (TRANSPORT) LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 1998

7 DEBTORS

	1998 £	1997 £
Trade debtors	66,983	64,112
Amounts owed by parent undertakings and fellow subsidiary undertakings	98,018	56,306
Prepayments and accrued income	21,471	23,552
	<u>186,472</u>	<u>143,970</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Bank loans and overdrafts	86,096	39,805
Trade creditors	111,443	28,875
Amounts owed to group undertakings	322,284	336,131
Corporation tax	-	6,000
Social security and other taxes	18,781	24,573
Other creditors	5,240	-
Accruals and deferred income	14,827	16,709
Amounts due under finance leases	82,864	139,492
	<u>641,535</u>	<u>591,585</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998 £	1997 £
Amounts due under finance leases	48,909	99,380
	<u>48,909</u>	<u>99,380</u>

C D JORDAN AND SON (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1998

Borrowings are repayable as follows:	1998 £	1997 £
Within one year		
Bank and other borrowings	86,096	39,805
Finance leases	82,864	139,492
After one and within two years		
Finance leases	43,098	70,228
After two and within five years		
Finance leases	5,811	29,152
	<u>217,869</u>	<u>278,677</u>

10 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 April 1997	3,200
At 31 March 1998	<u>3,200</u>
This represents accelerated capital allowances which are fully provided	

11 SHARE CAPITAL

	1998 £	1997 £
Authorised 1000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid 1000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

12 RESERVES

	Profit and loss account £
At 1 April 1997	42,923
Retained loss for the year	(25,576)
At 31 March 1998	<u>17,347</u>

C D JORDAN AND SON (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1998

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Loss for the financial year	(25,576)	18,179
Net decrease in shareholders' funds	(25,576)	18,179
Shareholders' funds at 1 April 1997	43,923	25,744
Shareholders' funds at 31 March 1998	<u>18,347</u>	<u>43,923</u>

14 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 1998 or 31 March 1997.

15 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 1998 or 31 March 1997.

16 PENSIONS

Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The pension cost charge for the Year was £12,388 (1997 £4,102).

17 ULTIMATE PARENT UNDERTAKING

The directors consider that the ultimate parent undertaking of this company is C D Jordan and Son Limited, registered in England and Wales.

18 RELATED PARTY TRANSACTIONS

The company has taken exemption from FRS 8 with regard to disclosure of transactions with entities which are in the same group. The group qualifies where the undertaking is a subsidiary undertaking with 90% or more of the voting rights controlled within the group. Copies of the consolidated financial statements are available from the company's Registered Office.