

533750

C D Jordan and Son (Transport) Limited

Report and Accounts

31 March 1999

 **ERNST & YOUNG**



C D Jordan and Son (Transport) Limited

Registered No. 533750

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

AUDITORS

Ernst & Young
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

BANKERS

Barclays Bank plc
Portsmouth City Business Centre
3 Guildhall Walk
Portsmouth
PO1 1BT

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

SOLICITORS

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

REGISTERED OFFICE

Dundas Spur
Dundas Lane
Portsmouth
PO3 5NX

C D Jordan and Son (Transport) Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 1999.

RESULTS AND DIVIDENDS

The trading profit for the year, after taxation, amounted to £48,590 (1998: loss of £25,576). The directors do not recommend the payment of a dividend (1998: £Nil).

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activity during the year continued to be that of haulage.

DIRECTORS AND THEIR INTERESTS

The directors at 31 March 1999 were as follows:

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

The directors had no interests in the share capital of the company at 31 March 1999 or 1 April 1998. The interests of the directors in the share capital of the parent undertaking at 31 March 1999 and 1 April 1998 are shown in those accounts.

YEAR 2000 COMPLIANCE

Many computer systems which express dates using only the last two digits of the year may malfunction due to the change to the Year 2000. This risk to the business relates not only to the company's computer systems, but also to some degree to 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 significant financial or legal impact if they were to fail.

The main systems affected are the accounting and management information systems, which are Year 2000 compliant.

The company has requested from 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

DIRECTORS' REPORT

AUDITORS

Grant Thornton retired as auditors on 4 June 1999 and Ernst & Young were appointed in their place. A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board

J. E. Stevenson .

J E Stevenson
Secretary

02 NOV 1999

 ERNST & YOUNG

C D Jordan and Son (Transport) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS

to the members of C D Jordan and Son (Transport) Limited

We have audited the accounts on pages 6 to 14, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

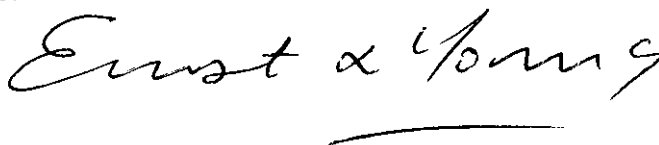
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Registered Auditor
Southampton

A handwritten signature in cursive script that reads 'Ernst & Young'. Below the signature is a horizontal line.

15 NOV 1999

C D Jordan and Son (Transport) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 1999

	Notes	1999 £	1998 £
TURNOVER	2	1,376,137	1,341,069
Cost of sales		1,028,730	1,069,464
GROSS PROFIT		347,407	271,605
Administrative expenses		276,055	280,002
OPERATING PROFIT/(LOSS)	3	71,352	(8,397)
Interest payable and similar charges	5	18,428	27,097
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		52,924	(35,494)
Tax on profit/(loss) on ordinary activities	6	(4,334)	9,918
PROFIT/(LOSS) RETAINED FOR THE FINANCIAL YEAR		48,590	(25,576)

There were no recognised gains or losses other than the profit attributable to shareholders of the company of £48,590 for the year ended 31 March 1999 and the loss of £25,576 for the year ended 31 March 1998.

C D Jordan and Son (Transport) Limited

BALANCE SHEET

at 31 March 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible assets	7	430,655	512,045
CURRENT ASSETS			
Stocks	8	11,602	13,421
Debtors	9	182,992	186,472
Cash at bank and in hand		17,661	53
		212,255	199,946
CREDITORS: amounts falling due within one year	10	568,959	641,535
NET CURRENT LIABILITIES		(356,704)	(441,589)
TOTAL ASSETS LESS CURRENT LIABILITIES		73,951	70,456
CREDITORS: amounts falling due after more than one year			
Obligations under finance leases and hire purchase contracts	11	5,810	48,909
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	1,204	3,200
		7,014	52,109
		66,937	18,347
CAPITAL AND RESERVES			
Called up share capital	13	1,000	1,000
Profit and loss account	14	65,937	17,347
SHAREHOLDERS' FUNDS - equity interests		66,937	18,347

The accounts were approved by the Board of Directors on

2/11/1999

Director

J. E. Stevenson

NOTES TO THE ACCOUNTS

at 31 March 1999

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting policies.

Cash flow statement

The company has utilised the exemptions provided under Financial Reporting Standard No.1 and has not presented a cash flow statement. The cash flow statement has been presented in the group accounts of the ultimate parent undertaking.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset over its expected useful life, as follows:

Leasehold buildings	-	Over the term of the lease
Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value, as follows:

Raw materials, consumables and goods for resale - purchase cost on a first-in, first-out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Deferred tax assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the assets have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest element of the rental obligations is charged to the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

1. ACCOUNTING POLICIES (continued)

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties,

Turnover is attributable to one continuing activity, that of haulage, and is derived entirely within the United Kingdom.

3. OPERATING PROFIT/(LOSS)

This is stated after charging/(crediting):

	1999 £	1998 £
Depreciation of owned fixed assets	71,176	64,569
Depreciation of assets held under finance leases and hire purchase contracts	29,080	62,067
	<u>100,256</u>	<u>126,636</u>
Auditors' remuneration - audit services	1,300	1,600
- non audit services	1,000	1,000
Hire of plant	3,273	1,859
Other operating lease rentals	12,000	12,085
Loss/(profit) on disposal of tangible fixed assets	2,346	(3,389)
	<u>20,919</u>	<u>12,165</u>

4. STAFF COSTS

	1999 £	1998 £
Wages and salaries	410,243	391,891
Social security costs	39,677	39,001
Other pension costs	12,846	12,388
	<u>462,766</u>	<u>443,280</u>

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

	1999 No.	1998 No.
Direct labour	19	20
Office	2	2
Directors	5	5
	<u>26</u>	<u>27</u>

The directors received no emoluments from the company during the year (1998: £Nil).

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1999 £	1998 £
Bank interest	7,072	6,990
Finance charges payable under finance leases and hire purchase contracts	11,356	20,107
	<u>18,428</u>	<u>27,097</u>

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	1999 £	1998 £
UK corporation tax	(2,773)	-
Group relief	(4,657)	9,057
Deferred taxation (note 12)	1,996	(300)
	<u>(5,434)</u>	<u>8,757</u>
Corporation tax overprovided in prior years	1,100	1,161
	<u>(4,334)</u>	<u>9,918</u>

7. TANGIBLE FIXED ASSETS

	<i>Long leasehold land and buildings</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Fixtures and fittings</i> £	<i>Total</i> £
Cost or valuation:					
At 1 April 1998	142,465	97,058	1,012,504	8,347	1,260,374
Additions	-	21,060	-	245	21,305
Disposals	-	(21,701)	(6,500)	(275)	(28,476)
Reclassification	-	120,169	(120,169)	-	-
At 31 March 1999	<u>142,465</u>	<u>216,586</u>	<u>885,835</u>	<u>8,317</u>	<u>1,253,203</u>
Depreciation:					
At 1 April 1998	6,105	61,102	676,763	4,359	748,329
Provided during the year	2,035	21,825	75,772	624	100,256
Eliminated on disposal	-	(21,399)	(4,438)	(200)	(26,037)
Reclassification	-	89,581	(89,581)	-	-
At 31 March 1999	<u>8,140</u>	<u>151,109</u>	<u>658,516</u>	<u>4,783</u>	<u>822,548</u>
Net book value:					
At 31 March 1999	<u>134,325</u>	<u>65,477</u>	<u>227,319</u>	<u>3,534</u>	<u>430,655</u>
At 31 March 1998	<u>136,360</u>	<u>35,956</u>	<u>335,741</u>	<u>3,988</u>	<u>512,045</u>

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS at 31 March 1999

7. TANGIBLE FIXED ASSETS (continued)

In respect of leased assets and assets acquired under hire purchase contracts :

	<i>Long leasehold land and buildings £</i>	<i>Plant and machinery £</i>	<i>Motor vehicles £</i>	<i>Fixtures and fittings £</i>	<i>Total £</i>
Cost or valuation:					
At 31 March 1999	-	-	191,308	-	191,308
	=====	=====	=====	=====	=====
At 31 March 1998	-	-	348,452	-	348,452
	=====	=====	=====	=====	=====
Depreciation:					
At 31 March 1999	-	-	104,064	-	104,064
	=====	=====	=====	=====	=====
At 31 March 1998	-	-	162,250	-	162,250
	=====	=====	=====	=====	=====

8. STOCKS

	<i>1999 £</i>	<i>1998 £</i>
Spare parts and lubricants	11,602	13,421
	=====	=====

9. DEBTORS

	<i>1999 £</i>	<i>1998 £</i>
Trade debtors	35,710	66,983
Amounts owed by group undertakings	125,695	98,018
Prepayments and accrued income	21,587	21,471
	=====	=====
	182,992	186,472
	=====	=====

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

10. CREDITORS: amounts falling due within one year

	1999 £	1998 £
Bank overdraft	69,149	86,096
Obligations under finance leases and hire purchase contracts (note 11)	43,098	82,864
Trade creditors	47,287	111,443
Amounts owed to group undertakings	341,064	322,284
Corporation tax	2,773	-
Other taxes and social security costs	39,633	18,781
Other creditors	5,061	5,240
Accruals and deferred income	20,894	14,827
	<u>568,959</u>	<u>641,535</u>

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

11. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The maturity of these amounts is as follows:

	1999 £	1998 £
Amounts payable:		
Within one year	48,632	90,001
Within two to five years	6,588	55,520
	<u>55,220</u>	<u>145,521</u>
Less: finance charges allocated to future periods	6,312	13,748
	<u>48,908</u>	<u>131,773</u>

Finance leases and hire purchase contracts are analysed as follows:

	1999 £	1998 £
Current obligations (note 10)	43,098	82,864
Non-current obligations	5,810	48,909
	<u>48,908</u>	<u>131,773</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

The movements in deferred taxation during the current and previous years are as follows:

	1999 £	1998 £
At 1 April	3,200	2,900
(Credit)/charge for the year (note 6)	(1,996)	300
At 31 March	<u>1,204</u>	<u>3,200</u>

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

12. PROVISIONS FOR LIABILITIES AND CHARGES (continued)

Deferred taxation provided in the accounts and the amounts not provided are as follows:

	<i>Provided</i>		<i>Not provided</i>	
	<i>1999</i>	<i>1998</i>	<i>1999</i>	<i>1998</i>
	£	£	£	£
Capital allowances in advance of depreciation	1,204	3,200	-	-

13. SHARE CAPITAL

	<i>1999</i>	<i>1998</i>
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	1,000	1,000

14. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders' funds</i>
	£	£	£
At 1 April 1997	1,000	42,923	43,923
Loss for the year	-	(25,576)	(25,576)
At 1 April 1998	1,000	17,347	18,347
Profit for the year	-	48,590	48,590
At 31 March 1999	1,000	65,937	66,937

15. CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 1999 (1998: £Nil).

16. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the benefit of certain employees and directors. The assets of the scheme are administered separately by trustees in a fund independent from those of the company. The pension cost charge for the year was £12,486 (1998: £12,388).

C D Jordan and Son (Transport) Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

17. OTHER FINANCIAL COMMITMENTS

At 31 March 1999 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>	
	<i>1999</i>	<i>1998</i>
	<i>£</i>	<i>£</i>
Operating leases which expire:		
In over 5 years	12,000	12,000

18. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 1999 (1998: £Nil).

19. RELATED PARTY TRANSACTIONS

The company has taken exemption from FRS8 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 accounts are available from the company's registered office.

20. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is C D Jordan and Son Limited. It has included the company in its group accounts, copies of which are available from its registered office: Dundas Spur, Dundas Lane, Portsmouth PO3 5NX.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is C D Jordan and Son Limited, a company registered in England and Wales.