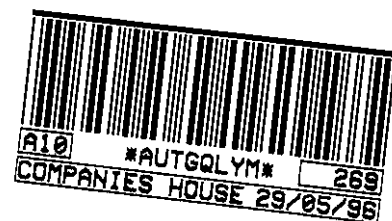


Bulkhaul Limited  
Annual report  
for the year ended 31 December 1995

Registered no: 1603021

Coopers  
& Lybrand



# **Bulkhaul Limited**

## **Annual report for the year ended 31 December 1995**

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## Directors and advisers

### Executive directors

S Gibson  
M O'Neill  
T Jackson  
J G Trenholm  
D B Beattie

### Secretary and registered office

T Jackson  
Brignell Road  
Riverside Park Industrial Estate  
Middlesbrough  
Cleveland  
TS2 1PS

### Registered Auditors

Coopers & Lybrand  
Hadrian House  
Higham Place  
Newcastle upon Tyne  
NE1 8BP

### Solicitors

Castle Sanderson  
Coronet House  
Queens Street  
Leeds  
LS1 2TW

Addlestone Keane  
27 Park Cross Street  
Leeds  
LS1 2QH

### Bankers

Barclays Bank plc  
Lloyds Bank plc  
Deutsche Bank AG  
Generale Bank  
United Counties Trust Company

**Directors' report  
for the year ended 31 December 1995**

The directors present their report and the audited financial statements for the year ended 31 December 1995.

**Principal activities**

The principal activity of the group continues to be the provision of international tank container services.

**Review of business and future developments**

The directors feel that the trading performance and financial position of the group was satisfactory.

It is the opinion of the directors that the progress and development of the group can be continued throughout the forthcoming year.

**Results and dividends**

The group profit for the year before taxation was £5,907,521 (1994: £3,857,740).

The directors have paid an interim dividend of £62.14 (1994: £19.02) per share in respect of the year ended 31 December 1995. They recommend that no further dividend be declared in respect of the year and that the remaining profit after dividends and taxation for the year of £2,981,928 (1994: £3,086,112) be transferred to the group's reserves.

**Group research and development activities**

The group continues to be involved in research and development activities in order to secure its position as a market leader in the international tank container market. Development expenditure is set out in note 12 to the financial statements.

**Changes in fixed assets**

The changes in fixed assets during the year are set out in notes 12, 13 and 14 to the financial statements. In the opinion of the directors the current open market values of the leasehold land and freehold buildings are not materially different from the amounts at which they are stated in the financial statements.

**Charitable donations**

The donations made by the group during the year for charitable purposes amounted to £38,333.

**Directors**

The directors of the company at 31 December 1995, all of whom have been directors for the whole of the year ended on that date, were:

S Gibson (Chairman)  
M O'Neill (Managing Director)  
T Jackson  
J G Trenholm  
D B Beattie

In accordance with the Articles of Association, J G Trenholm and D B Beattie retire by rotation and, being eligible, offer themselves for re-election.

**Directors' interests in the shares of the company**

The interests of the directors of the company at 31 December 1995 in the shares of the company were as follows:

	Number of ordinary shares of £1 each	
	31 December 1995	1 January 1995
S Gibson	-	18,750
M O'Neill	-	6,250
	<hr/>	<hr/>
	-	25,000
	<hr/>	<hr/>

During the course of 1995, S Gibson and M O'Neill transferred their interests in Bulkhaul Limited to Gibson O'Neill Co Ltd, a company registered in England and Wales, of which they are directors. The interests of the directors in Gibson O'Neill Co Ltd are disclosed in the financial statements of that company.

**Directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1995. The directors also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Close company status**

In the opinion of the directors, the company is a close company within the terms of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial year.

**Auditors**

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

**By order of the board**

Secretary  
10 May 1996

**Report of the auditors to the members of  
Bulkhaul Limited**

We have audited the financial statements on pages 6 to 26.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are 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.

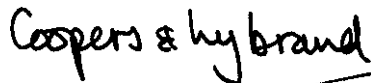
**Basis of opinion**

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 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 affairs of the company and the group at 31 December 1995 and of the profit, total recognised gains and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
16 May 1996

# **Consolidated profit and loss account for the year ended 31 December 1995**

	Notes	1995 £	1994 £
<b>Turnover</b>	2	<b>40,658,765</b>	29,373,126
Cost of sales		(21,436,043)	(15,146,867)
<b>Gross profit</b>		<b>19,222,722</b>	14,226,259
Other operating expenses	3	(12,292,209)	(9,670,979)
<b>Operating profit</b>		<b>6,930,513</b>	4,555,280
Income from interests in associated undertakings		17,642	8,724
Interest receivable and similar income	6	30,625	33,712
Interest payable and similar charges	7	(1,071,259)	(739,976)
<b>Profit on ordinary activities before taxation</b>	8	<b>5,907,521</b>	3,857,740
Taxation	9	(1,372,113)	(296,178)
<b>Profit on ordinary activities after taxation</b>		<b>4,535,408</b>	3,561,562
Dividend paid	11	(1,553,480)	(475,450)
<b>Retained profit for the financial year</b>	23	<b>2,981,928</b>	3,086,112

All of the group's operations are continuing.

The group has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

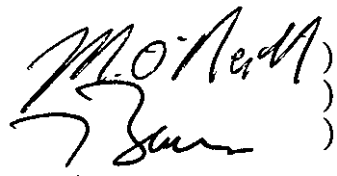
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.



**Balance sheets  
at 31 December 1995**

	Notes	Group		Company	
		1995 £	1994 £	1995 £	1994 £
<b>Fixed assets</b>					
Intangible assets	12	235,590	250,748	123,408	120,000
Tangible assets	13	26,069,269	22,487,081	25,502,106	21,100,890
Investments	14	31,523	25,311	724,258	707,026
		<u>26,336,382</u>	<u>22,763,140</u>	<u>26,349,772</u>	<u>21,927,916</u>
<b>Current assets</b>					
Stocks	15	60,307	54,006	60,307	54,006
Debtors	16	9,835,266	5,667,758	9,999,318	5,872,381
Investments	17	-	268,545	-	1,041,773
Cash at bank and in hand		562,096	1,102,421	336,063	940,181
		<u>10,457,669</u>	<u>7,092,730</u>	<u>10,395,688</u>	<u>7,908,341</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>14,506,854</u>	<u>11,534,972</u>	<u>14,831,370</u>	<u>11,927,291</u>
<b>Net current liabilities</b>		<u>(4,049,185)</u>	<u>(4,442,242)</u>	<u>(4,435,682)</u>	<u>(4,018,950)</u>
<b>Total assets less current liabilities</b>		<u>22,287,197</u>	<u>18,320,898</u>	<u>21,914,090</u>	<u>17,908,966</u>
<b>Creditors: amounts falling due after more than one year</b>	19	<u>9,206,966</u>	<u>8,222,595</u>	<u>9,023,761</u>	<u>7,907,497</u>
<b>Net assets</b>		<u>13,080,231</u>	<u>10,098,303</u>	<u>12,890,329</u>	<u>10,001,469</u>
<b>Capital and reserves</b>					
Called-up share capital	22	25,000	25,000	25,000	25,000
Capital reserve	23	440	440	-	-
Profit and loss account	23	13,054,791	10,072,863	12,865,329	9,976,469
<b>Equity shareholders' funds</b>	24	<u>13,080,231</u>	<u>10,098,303</u>	<u>12,890,329</u>	<u>10,001,469</u>

The financial statements on pages 6 to 26 were approved by the board of directors on 10 May 1996 and were signed on its behalf by:


 Directors

## Consolidated cash flow statement for the year ended 31 December 1995

	Notes	1995 £	1994 £
<b>Net cash inflow from continuing operating activities</b>	25	<b>7,089,763</b>	<b>6,655,490</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		30,451	32,147
Interest paid		(357,609)	(360,568)
Interest paid on finance leases		(662,459)	(436,128)
Dividends paid		(1,553,480)	(475,450)
Dividends received from associated companies		6,300	1,800
<b>Net cash outflow from returns on investments and servicing of finance</b>		<b>(2,536,797)</b>	<b>(1,238,199)</b>
<b>Taxation</b>			
UK corporation tax paid		(1,144,624)	(264,722)
Net overseas tax paid		(15,529)	(7,428)
<b>Tax paid</b>		<b>(1,160,153)</b>	<b>(272,150)</b>
<b>Investment activities</b>			
Development costs		(16,988)	(120,000)
Purchase of tangible fixed assets		(4,925,871)	(3,177,033)
Sale of investments		268,545	-
Sale of tangible fixed assets		972,684	239,556
<b>Net cash outflow from investing activities</b>		<b>(3,701,630)</b>	<b>(3,057,477)</b>
<b>Net cash (outflow)/inflow before financing</b>		<b>(308,817)</b>	<b>2,087,664</b>
<b>Financing</b>			
Loans received		18,101	773,999
Hire purchase funding received		3,254,940	-
Repayment of loans		(1,192,935)	(1,040,445)
Payment of principal under finance leases		(3,097,907)	(2,671,193)
<b>Net cash outflow from financing</b>		<b>(1,017,801)</b>	<b>(2,937,639)</b>
<b>Decrease in cash and cash equivalents</b>	26	<b>(1,326,618)</b>	<b>(849,975)</b>

## **Notes to the financial statements for the year ended 31 December 1995**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

A summary of the more important group accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

#### **Basis of consolidation**

The consolidated financial statements include the results of the company and its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal. Intra group sales and profits are eliminated fully on consolidation.

#### **Associated undertakings**

Associated undertakings are accounted for in the consolidated financial statements under the equity method of accounting.

#### **Goodwill**

Goodwill, representing the excess of the purchase consideration of subsidiaries acquired over the fair value ascribed to the net tangible assets at the date of acquisition, is written off in full against reserves in the year of acquisition.

Purchased goodwill arising in subsidiaries is amortised over its expected useful economic life of 15 years from the date of acquisition.

Negative goodwill is credited to a capital reserve.

**Tangible fixed assets**

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. The cost of land and buildings includes interest paid on funds specifically taken out to finance assets in the course of construction. Depreciation is calculated so as to write off the cost of fixed assets to their estimated residual values on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

	Estimated useful economic life
Leasehold land	125 years
Buildings - workshop	25 years
- office	50 years
Commercial vehicles	5 - 7 years
Motor vehicles	4 years
Tank containers	10 years
Fixtures and fittings	5 - 10 years

Leasehold land and buildings are amortised over the life as shown above or, if shorter, the period of the lease. Assets in the course of construction are not depreciated.

**Development expenditure**

Development expenditure relating to specific projects intended for commercial exploitation is carried forward. Such expenditure is amortised over the period expected to benefit. Expenditure on pure and applied research is written off as incurred.

**Hire purchase and finance lease agreements**

Assets financed under hire purchase and finance lease agreements are capitalised in the balance sheet and depreciated over their estimated useful lives. Hire and lease repayments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account using the actuarial method.

Costs in respect of operating leases are charged on a straight line basis over the lease term.

**Bank loans and overdrafts**

Bank loans and overdrafts are stated after adjusting for uncleared banking items.

**Stocks**

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

**Deferred taxation**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

**Foreign currencies**

Where overseas subsidiaries act as selling agents for the company the financial statements are translated to sterling on the following basis:

- (a) Fixed assets are translated into sterling at the rates ruling on the date of acquisition as adjusted for any profits or losses from related financial instruments.
- (b) Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the foreign exchange rates ruling at the balance sheet date.
- (c) Revenue and expenses in foreign currencies are recorded in sterling at the rates ruling at the dates of the transactions.
- (d) Any gains or losses arising on translation are reported as part of profit.

All other exchange differences are dealt with in the profit and loss account.

**Pension costs**

The company operates five defined contribution schemes. The employer's contributions are charged to the profit and loss account in the period in which the liability to pay arises.

**Turnover**

Turnover is the total of all sales to customers, net of value added tax and sales between group companies.

**2 Turnover**

The analysis of turnover by geographical market has not been given.

**3 Other operating expenses**

	1995 £	1994 £
Administrative expenses	12,574,124	9,717,883
Less: other operating income	(281,915)	(46,904)
	<u>12,292,209</u>	<u>9,670,979</u>

#### **4 Directors' emoluments**

The remuneration paid to the directors of Bulkhaul Limited was:

	<b>1995</b> £	<b>1994</b> £
Fees for management services	<b>354,250</b>	332,524
Other emoluments (including pension contributions and benefits in kind)	<b>135,938</b>	113,615
	<b><u>490,188</u></b>	<b><u>446,139</u></b>

Fees and other emoluments (excluding pension contributions) include amounts paid to:

	<b>1995</b> £	<b>1994</b> £
The chairman	<b><u>91,871</u></b>	<b><u>94,346</u></b>
The highest-paid director	<b><u>120,109</u></b>	<b><u>118,351</u></b>

The number of directors (including the chairman and the highest-paid director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	<b>1995</b> Number	<b>1994</b> Number
£55,001 to £60,000	-	1
£60,001 to £65,000	1	-
£65,001 to £70,000	-	1
£80,001 to £85,000	1	-
£85,001 to £90,000	1	1
£90,001 to £95,000	1	1
£115,001 to £120,000	-	1
£120,001 to £125,000	1	-

## 5 Employee information

The average number of persons (including executive directors) employed by the group during the year was:

	1995 Number	1994 Number
Office and management	103	80
Drivers and mechanics	137	86
	<u>240</u>	<u>166</u>
	<u>240</u>	<u>166</u>
	1995	1994
	£	£
Staff costs (for the above persons):		
Wages and salaries	4,603,521	3,261,262
Social security costs	470,708	315,002
Other pension costs (see note 21)	198,983	176,178
	<u>5,273,212</u>	<u>3,752,442</u>
	<u>5,273,212</u>	<u>3,752,442</u>

## 6 Interest receivable and similar income

	1995 £	1994 £
Interest receivable	30,582	32,275
Exchange gain on foreign currency loans	43	1,437
	<u>30,625</u>	<u>33,712</u>
	<u>30,625</u>	<u>33,712</u>

## 7 Interest payable and similar charges

	1995 £	1994 £
On bank loans, overdrafts and other loans:		
Repayable within 5 years, not by instalments	42,771	24,982
Repayable within 5 years, by instalments	277,888	337,992
Repayable wholly or partly in more than 5 years	42,681	25,433
Exchange loss on foreign currency loans	29,969	20,868
	<u>393,309</u>	<u>409,275</u>
On finance leases and hire purchase contracts	677,950	435,701
	<u>1,071,259</u>	<u>844,976</u>
Less interest capitalised (see note 13)	-	(105,000)
	<u>1,071,259</u>	<u>739,976</u>
	<u>1,071,259</u>	<u>739,976</u>

## 8 Profit on ordinary activities before taxation

	1995 £	1994 £
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Rent receivable	-	(28,976)
Foreign exchange loss	23,642	85,254
Development cost amortisation	13,580	-
Goodwill amortisation	18,566	18,714
Depreciation of tangible fixed assets:		
Tangible fixed assets under finance leases	1,177,222	712,495
Tangible owned fixed assets	995,646	802,675
Auditors' remuneration for:		
Audit (company £15,500; 1994: £13,500)	15,500	13,500
Other services to the group	42,620	8,767
Hire of plant and machinery - operating leases	2,107,853	1,086,082
Profit on disposal of tangible fixed assets	(39,481)	(19,103)
	<u>1,368,558</u>	<u>293,475</u>

## 9 Taxation

	1995 £	1994 £
United Kingdom corporation tax at 33% (1994: 33%):		
Current	1,360,000	286,500
Prior	(839)	(5,196)
Overseas taxation charge:		
Current	13,289	13,346
Prior	(5,467)	(1,175)
Tax credits on franked investment income	1,575	-
	<u>1,368,558</u>	<u>293,475</u>
Associated undertakings	3,555	2,703
	<u>1,372,113</u>	<u>296,178</u>

The taxation charge for the year has been reduced by £616,349 (1994: £1,040,000) in respect of the excess of tax allowances over depreciation and other timing differences on which, in accordance with the group's accounting policy, no deferred taxation has been provided.

## 10 Profit for the financial year

As permitted by s230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit of Bulkhaul Limited for the financial year was £4,442,340 (1994: £3,661,718).

## 11 Dividend

	1995 £	1994 £
Ordinary:		
Interim paid of £62.14 per share (1994: £19.02 per share)	<u>1,553,480</u>	<u>475,450</u>



**12 Intangible fixed assets**

	<b>Company &amp; Group</b>	<b>Group</b>	<b>Group</b>
	Development costs £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 1995	120,000	280,456	400,456
Additions	16,988	-	16,988
<b>At 31 December 1995</b>	<b>136,988</b>	<b>280,456</b>	<b>417,444</b>
<b>Amortisation</b>			
At 1 January 1995	-	149,708	149,708
Charge for year	13,580	18,566	32,146
<b>At 31 December 1995</b>	<b>13,580</b>	<b>168,274</b>	<b>181,854</b>
<b>Net book value</b>			
<b>At 31 December 1995</b>	<b>123,408</b>	<b>112,182</b>	<b>235,590</b>
Net book value			
At 31 December 1994	120,000	130,748	250,748

Development costs relate to a project to manufacture demountable tank containers. The production of tank containers has commenced in 1995 and the related development expenditure will be written off over the period expected to benefit.

In the directors' opinion the above circumstances justify their decision to defer the costs and not to treat them as a realised revenue loss.

# 13 Tangible fixed assets

## Group

	Long leasehold land and freehold buildings £	Investment properties £	Commercial vehicles and tanks £	Motor vehicles £	Fixtures and fittings £	Assets in course of construction £	Total £
<b>Cost</b>							
At 1 January 1995	3,825,292	713,682	20,761,291	1,018,991	1,912,023	296,451	28,527,730
Additions	-	-	5,444,084	62,409	443,457	738,309	6,688,259
Disposals	-	(713,682)	(782,545)	(37,895)	(64,235)	-	(1,598,357)
Transfer	-	-	296,451	-	-	(296,451)	-
<b>At 31 December 1995</b>	<b>3,825,292</b>	<b>-</b>	<b>25,719,281</b>	<b>1,043,505</b>	<b>2,291,245</b>	<b>738,309</b>	<b>33,617,632</b>
<b>Depreciation</b>							
At 1 January 1995	210,433	-	4,769,625	227,597	832,994	-	6,040,649
Charge for year	112,836	-	1,635,364	191,691	232,977	-	2,172,868
Eliminated in respect of disposals	-	-	(617,477)	(16,113)	(31,564)	-	(665,154)
<b>At 31 December 1995</b>	<b>323,269</b>	<b>-</b>	<b>5,787,512</b>	<b>403,175</b>	<b>1,034,407</b>	<b>-</b>	<b>7,548,363</b>
<b>Net book value</b>							
<b>At 31 December 1995</b>	<b>3,502,023</b>	<b>-</b>	<b>19,931,769</b>	<b>640,330</b>	<b>1,256,838</b>	<b>738,309</b>	<b>26,069,269</b>
<b>Net book value</b>							
<b>At 31 December 1994</b>	<b>3,614,859</b>	<b>713,682</b>	<b>15,991,666</b>	<b>791,394</b>	<b>1,079,029</b>	<b>296,451</b>	<b>22,487,081</b>

The net book value of tangible fixed assets includes an amount of £13,983,908 (1994: £11,798,572) in respect of assets held under finance leases and hire purchase contracts.

Long leasehold land and freehold buildings includes long leasehold land with a net book value of £452,303 (1994: £455,903).

Additions include £Nil (1994: £105,000) in respect of interest capitalised.

**Company**

	Long leasehold land and freehold buildings £	Commercial vehicles and tanks £	Motor vehicles £	Fixtures and fittings £	Assets in course of construction £	Total £
<b>Cost</b>						
At 1 January 1995	3,825,292	20,050,048	950,233	1,749,940	296,451	26,871,964
Additions	-	5,444,084	25,931	403,276	738,309	6,611,600
Disposals	-	(782,545)	(28,762)	-	-	(811,307)
Transfer	-	296,451	-	-	(296,451)	-
<b>At 31 December 1995</b>	<b>3,825,292</b>	<b>25,008,038</b>	<b>947,402</b>	<b>2,153,216</b>	<b>738,309</b>	<b>32,672,257</b>
<b>Depreciation</b>						
At 1 January 1995	210,433	4,596,457	194,397	769,787	-	5,771,074
Charge for year	112,836	1,530,655	177,150	209,172	-	2,029,813
Eliminated in respect of disposals	-	(617,477)	(13,259)	-	-	(630,736)
<b>At 31 December 1995</b>	<b>323,269</b>	<b>5,509,635</b>	<b>358,288</b>	<b>978,959</b>	<b>-</b>	<b>7,170,151</b>
<b>Net book value</b>						
<b>At 31 December 1995</b>	<b>3,502,023</b>	<b>19,498,403</b>	<b>589,112</b>	<b>1,174,257</b>	<b>738,309</b>	<b>25,502,106</b>
<b>Net book value</b>						
<b>At 31 December 1994</b>	<b>3,614,859</b>	<b>15,453,591</b>	<b>755,836</b>	<b>980,153</b>	<b>296,451</b>	<b>21,100,890</b>

The net book value of tangible fixed assets includes an amount of £13,597,970 (1994: £11,322,219) in respect of assets held under finance leases and hire purchase contracts.

Long leasehold land and freehold buildings includes long leasehold land with a net book value of £452,303 (1994: £455,903).

Additions include £Nil (1994: £105,000) in respect of interest capitalised.

# **14 Fixed asset investments**

## **Group**

	Associated undertakings £	Other investments £	Total £
<b>Cost</b>			
At 1 January 1995	25,311	-	25,311
Share of retained profit	6,212	-	6,212
	<u>31,523</u>	<u>-</u>	<u>31,523</u>
<b>At 31 December 1995</b>	<u>31,523</u>	<u>-</u>	<u>31,523</u>

## **Company**

	Interests in group undertakings £	Other investments £	Total £
<b>Cost</b>			
At 1 January 1995	1,126,294	9,880	1,136,174
Additions	1	-	1
	<u>1,126,295</u>	<u>9,880</u>	<u>1,136,175</u>
<b>At 31 December 1995</b>	<u>1,126,295</u>	<u>9,880</u>	<u>1,136,175</u>
<b>Amounts written off</b>			
At 1 January 1995	426,768	2,380	429,148
Previous provision written back	(17,231)	-	(17,231)
	<u>409,537</u>	<u>2,380</u>	<u>411,917</u>
<b>At 31 December 1995</b>	<u>409,537</u>	<u>2,380</u>	<u>411,917</u>
<b>Net book value</b>			
At 31 December 1995	716,758	7,500	724,258
<b>Net book value</b>			
At 31 December 1994	699,526	7,500	707,026
	<u>699,526</u>	<u>7,500</u>	<u>707,026</u>

## Interests in group undertakings

Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held	Activity
<b>Held by the company:</b>			%	
Bulkhaul International Limited	England and Wales	100,000 Ordinary £1 shares	100	Holding company
Bulkhaul Belgium NV	Belgium	1,000 Ordinary 3,400 BFr shares	100	Tank Container services
Bulkhaul (Italia) SRL	Italy	14,970 Ordinary 1,000 lire shares	100	Tank Container services
Bulkhaul (Singapore) PTE Limited	Singapore	2 Ordinary 1 Singapore Dollar shares	100	Tank Container services
Teesside Leasing Limited	England and Wales	12,502 Ordinary £1 shares	100	Dormant
Teesside Transport Services Limited	England and Wales	51 Ordinary £1 shares	51	Dormant
<b>Held by subsidiaries:</b>				
Bulkhaul (Germany) GmbH	Germany	50,000 Ordinary 1 Dmk shares	100	Tank Container services
Bulkhaul (USA) Incorporated	USA	1,000 Ordinary \$150 share	100	Tank Container services

## Associated undertakings

Name of undertaking	Country of incorporation or registration	Description of shares held where applicable	Proportion of nominal value of ordinary shares held	Accounting year end
Teesside Insurance Consultants Limited	England and Wales	Ordinary 50p shares	37.5%	31 December

Teesside Insurance Consultants Limited provides insurance services.

## 15 Stocks

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Raw materials and consumables	<u>60,307</u>	<u>54,006</u>	<u>60,307</u>	<u>54,006</u>

## 16 Debtors

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Amounts falling due within one year				
Trade debtors	6,959,299	4,547,856	6,959,299	4,547,856
Amounts owed by subsidiary undertakings	-	-	281,023	238,219
Corporation tax	7,388	6,938	7,388	6,938
Other debtors	808,521	806,869	789,632	793,568
Prepayments and accrued income	2,060,058	306,095	1,961,976	285,800
	<u>9,835,266</u>	<u>5,667,758</u>	<u>9,999,318</u>	<u>5,872,381</u>

## 17 Current asset investments

### Group

	Other investments £
Cost	
As 1 January 1995	268,545
Disposals	(268,545)
At 31 December 1995	<u>-</u>

### Company

	Interests in group undertakings £	Other investments £	Total £
Cost			
As 1 January 1995	773,228	268,545	1,041,773
Disposals	(773,228)	(268,545)	(1,041,773)
At 31 December 1995	<u>-</u>	<u>-</u>	<u>-</u>

During the course of 1995 the group disposed of the interests in the property investment companies (Cancara Limited, Holcroft Limited, Mullet Limited and Portadam Limited) and in Middlesbrough Football and Athletic Club (1986) Limited in line with the directors intentions at 31 December 1994.

**18 Creditors: amounts falling due within one year**

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Bank loans, overdrafts and other loans	2,072,441	1,308,592	2,038,040	1,258,845
Hire purchase and finance lease obligations	2,733,935	2,946,863	2,577,114	2,808,796
Trade creditors	5,299,667	4,687,226	5,279,587	4,685,926
Amounts owed to subsidiary undertakings	-	-	631,480	646,592
Corporation tax	400,439	160,103	400,439	160,103
ACT payable	-	25,350	-	25,350
Overseas taxation payable	409	8,210	-	-
Other taxation and social security	269,970	199,313	266,266	196,982
Other creditors	290,426	143,796	249,906	136,606
Accruals and deferred income	3,439,567	2,055,519	3,388,538	2,008,091
	<u>14,506,854</u>	<u>11,534,972</u>	<u>14,831,370</u>	<u>11,927,291</u>

**19 Creditors: amounts falling due after more than one year**

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Bank loans and other loans	1,789,732	2,941,085	1,783,226	2,922,059
Hire purchase and finance lease obligations	7,417,234	5,281,510	7,240,535	4,985,438
	<u>9,206,966</u>	<u>8,222,595</u>	<u>9,023,761</u>	<u>7,907,497</u>

**Bank loans, overdrafts and other loans**

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Bank loans, overdrafts and other loans are repayable as follows:				
One year or less or on demand	2,072,441	1,308,592	2,038,040	1,258,845
Between one and five years	1,539,732	2,566,085	1,533,226	2,547,059
In five years or more	250,000	375,000	250,000	375,000
	<u>3,862,173</u>	<u>4,249,677</u>	<u>3,821,266</u>	<u>4,180,904</u>
Repayable by instalments wholly or partly in more than five years:	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>

The bank overdraft and loans are secured by fixed and floating charges over the company's assets.

The main loans carry fixed interest rates of between 7.9% and 10.75% and variable rates of between 1.75% and 2.5% above the base rate. These loans are repayable over periods varying from 3 to 8 years.

### **Hire purchase and finance lease obligations**

The net hire purchase and finance lease obligations to which the group and the company are committed are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>1995</b>	<b>1994</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
In one year or less	<b>2,733,935</b>	2,946,863	<b>2,577,114</b>	2,808,796
Between one and five years	<b>7,417,234</b>	5,281,510	<b>7,240,535</b>	4,985,438
	<b><u>10,151,169</u></b>	<b><u>8,228,373</u></b>	<b><u>9,817,649</u></b>	<b><u>7,794,234</u></b>

## **20 Deferred taxation**

On the basis of the group's planned capital expenditure over the next three years, the amount of capital allowances in respect of eligible additions will exceed the charge for depreciation on existing and new assets on which allowances are claimed. In accordance with the accounting policy set out in note 1, deferred tax is not being provided in respect of such timing differences. The unprovided liability for deferred tax which entirely relates to capital allowances at 31 December 1995 amounts to approximately £4,276,349 (1994: £3,660,000).

## **21 Pension and similar commitments**

The group operates a self-administered money purchase pension scheme and four fully insured money purchase pension schemes. These are defined contribution pension schemes. The group has no liability other than to pay the employer's contributions to this scheme. The total pension cost for the group was £198,983 (1994: £176,178). An amount of £2,691 (1994: £5,806) is included within other creditors as at the balance sheet date.



## 22 Called-up share capital

	1995 £	1994 £
<b>Authorised</b>		
25,000 (1994: 25,000) ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
<b>Allotted, called-up and fully paid</b>		
25,000 (1994: 25,000) ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

## 23 Reserves

### Group

	Capital reserve £	Profit and loss account £
At 1 January 1995	440	10,072,863
Retained profit for the year	-	2,981,928
<b>At 31 December 1995</b>	<u>440</u>	<u>13,054,791</u>

### Company

	Profit and loss account £
At 1 January 1995	9,976,469
Retained profit for the year	2,888,860
<b>At 31 December 1995</b>	<u>12,865,329</u>

**24 Reconciliation of movements in equity shareholders' funds**

	1995 £	1994 £
Profit for the financial year	4,535,408	3,561,562
Dividend	(1,553,480)	(475,450)
	<u>2,981,928</u>	<u>3,086,112</u>
Opening equity shareholders' funds	10,098,303	7,012,191
	<u>13,080,231</u>	<u>10,098,303</u>
Closing equity shareholders' funds		

**25 Reconciliation of operating profit to net cash inflow from operating activities**

	1995 £	1994 £
<b>Continuing activities</b>		
Operating profit	6,930,513	4,555,280
Amortisation of intangible fixed assets	32,146	18,714
Depreciation on tangible fixed assets	2,172,868	1,515,170
Profit on sale of tangible fixed assets	(39,481)	(19,103)
(Increase)/decrease in stocks	(6,301)	(19,260)
Increase in debtors	(4,167,058)	(1,736,281)
Increase in creditors	2,167,076	2,340,970
	<u>7,089,763</u>	<u>6,655,490</u>
Net cash inflow from continuing operating activities		

**26 Cash and cash equivalents**

	1995 £	1994 £
<b>Changes during the year</b>		
At 1 January	1,102,421	1,952,396
Net cash outflow	(1,326,618)	(849,975)
	<u>(224,197)</u>	<u>1,102,421</u>
At 31 December		

	1995 £	1994 £	Change in year £	1994 £	1993 £	Change in year £
<b>Analysis of balances</b>						
Cash at bank and in hand	562,096	1,102,421	(540,325)	1,102,421	1,958,618	(856,197)
Bank overdrafts	(786,293)	-	(786,293)	-	(6,222)	6,222
<b>At 31 December</b>	<b>(224,197)</b>	<b>1,102,421</b>	<b>(1,326,618)</b>	<b>1,102,421</b>	<b>1,952,396</b>	<b>(849,975)</b>

## 27 Analysis of changes in financing during the year

	1995		1994	
	Share capital	Loans and finance lease obligations	Share capital	Loans and finance lease obligations
	£	£	£	£
At 1 January	25,000	12,748,050	25,000	9,352,162
Loans received	-	18,101	-	773,999
Loan repayment	-	(1,192,935)	-	(1,040,445)
Inception of finance lease contracts	-	4,991,814	-	6,044,096
Repayments of principal on finance leases	-	(3,097,907)	-	(2,671,193)
Effect of foreign exchange rates	-	29,926	-	19,431
<b>At 31 December</b>	<b>25,000</b>	<b>13,497,049</b>	<b>25,000</b>	<b>12,478,050</b>

## 28 Major non-cash transactions

During the year the group entered into finance lease arrangements in respect of fixed assets with a total capital value at the inception of the leases of £4,991,814 (1994: £6,044,096).

**29 Capital commitments**

	<b>Group</b>		<b>Company</b>	
	<b>1995</b>	<b>1994</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>2,587,745</u>	<u>37,668</u>	<u>2,587,745</u>	<u>16,068</u>
Capital expenditure that has been authorised by the directors but has not yet been contracted for	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**30 Financial commitments**

At 31 December 1995 the group had no annual commitments under non-cancellable operating leases (1994: £Nil).

**31 Ultimate parent undertaking**

The directors regard The Gibson O'Neill Company Limited, a company registered in England and Wales, as the ultimate parent undertaking. According to the register kept by the company, The Gibson O'Neill Company Limited has a 100% interest in the equity share capital of Bulkhaul Limited. Copies of the parent's consolidated financial statements may be obtained from The Secretary, The Gibson O'Neill Company Limited, Brignell Road, Riverside Park Industrial Estate, Middlesbrough, Cleveland, TS2 1PS.