

**A & J Nelson (Haulage Contractors)
Limited**

Abbreviated Accounts

31st October 2009



CONDIE & CO

Chartered Accountants & Statutory Auditor
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

A & J Nelson (Haulage Contractors) Limited

Abbreviated Accounts

Year Ended 31st October 2009

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A & J Nelson (Haulage Contractors) Limited

Officers and Professional Advisers

The Board of Directors

Alexander Nelson
John Nelson
Mrs E Nelson
Colin Nelson
Gail Nelson

Company Secretary

Mrs E Nelson

Registered Office

Great North Road
Kelty
Fife
KY4 OHE

Auditor

Graham K Pascall
Condie & Co
Chartered Accountants
& Statutory Auditors
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

Bankers

Bank of Scotland
2 High Street
Kinross
KY13 8AW

Solicitors

J L Anderson & Co
40 High Street
Kinross
KY13 7AN

A & J Nelson (Haulage Contractors) Limited

The Directors' Report

Year Ended 31st October 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st October 2009.

Principal Activities and Business Review

The principal activity of the company during the year was haulage contracting.

The key financial indicators used by the directors are detailed below:

	2009	2008	2007
	£000	£000	£000
Turnover	5,426	6,257	6,382
(Loss)/Profit before tax	(65)	270	61
Return on capital employed	(1.92)%	8.42%	2.04%

During the year there was a decrease in the company's turnover and cost of sales which has resulted in a decrease in gross profit and with an increase in administration expenses this has resulted in a loss for the year. At the balance sheet date the company had a strong net asset position and is considered to be financially secure.

The principal risk to the company, as with all companies operating within this business sector, is that of the potential increases in fuel prices.

The directors consider that the current level of turnover can be sustained through maintaining its current high standard of service to both existing and new customers. The company has developed a quality fleet of motor vehicles to ensure its high standards are achieved. The directors continually assess the vehicle requirements and invest in new vehicles as appropriate to meet the demands of the business.

Results and Dividends

The loss for the year amounted to £52,364. The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

Alexander Nelson
John Nelson
Mrs E Nelson
Colin Nelson
Gail Nelson

A & J Nelson (Haulage Contractors) Limited

The Directors' Report *(continued)*

Year Ended 31st October 2009

Directors' Responsibilities

The directors are responsible for preparing the Directors' Report 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 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Condie & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



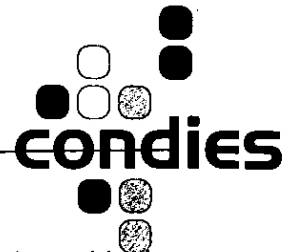
Mrs E Nelson
Company Secretary

Approved by the directors on 5th April 2010

A & J Nelson (Haulage Contractors) Limited

Independent Auditor's Report to A & J Nelson (Haulage Contractors) Limited

UNDER SECTION 449 OF THE COMPANIES ACT 2006



We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of A & J Nelson (Haulage Contractors) Limited for the year ended 31st October 2009 prepared under Section 396 of the Companies Act 2006.

Respective Responsibilities of Directors and Auditor

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.

Graham K Pascall (Senior Statutory Auditor)
For and on behalf of
CONDIE & CO
Chartered Accountants & Statutory Auditors
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

7th April 2010

A & J Nelson (Haulage Contractors) Limited

Abbreviated Profit and Loss Account

Year Ended 31st October 2009

	Note	2009 £	2008 £
Turnover		5,425,583	6,256,816
Cost of sales		3,944,091	4,586,633
Gross Profit		1,481,492	1,670,183
Administrative expenses		1,562,546	1,447,232
Other operating income		(18,180)	(38,155)
Operating (Loss)/Profit	2	(62,874)	261,106
Interest receivable		2,689	8,882
Interest payable and similar charges	5	(5,119)	-
(Loss)/Profit on Ordinary Activities Before Taxation		(65,304)	269,988
Tax on (loss)/profit on ordinary activities	6	(12,940)	74,518
(Loss)/Profit for the Financial Year		(52,364)	195,470
Balance brought forward		2,636,266	2,440,796
Balance carried forward		2,583,902	2,636,266

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 17 form part of these abbreviated accounts.

A & J Nelson (Haulage Contractors) Limited

Abbreviated Balance Sheet

31st October 2009

	Note	2009 £	2008 £
Fixed Assets			
Tangible assets	7	3,064,037	2,958,189
Current Assets			
Stocks	8	41,300	20,000
Debtors	9	903,158	1,181,804
Cash at bank and in hand		418,764	277,663
		1,363,222	1,479,467
Creditors: Amounts Falling due Within One Year	10	1,293,180	1,232,820
Net Current Assets		70,042	246,647
Total Assets Less Current Liabilities		3,134,079	3,204,836
Creditors: Amounts Falling due after More than One Year	11	8,970	–
Provisions for Liabilities			
Deferred taxation	14	337,802	365,165
		2,787,307	2,839,671
Capital and Reserves			
Called-up equity share capital	17	64,625	64,625
Revaluation reserve		138,780	138,780
Profit and loss account		2,583,902	2,636,266
Shareholders' Funds	18	2,787,307	2,839,671

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006.

These abbreviated accounts were approved by the directors and authorised for issue on 5th April 2010, and are signed on their behalf by:



Colin Nelson
Director

Company Registration Number: SC059157

The notes on pages 8 to 17 form part of these abbreviated accounts.

A & J Nelson (Haulage Contractors) Limited

Cash Flow Statement

Year Ended 31st October 2009

	Note	2009 £	2008 £
Net Cash Inflow from Operating Activities	19	706,254	348,507
Returns on Investments and Servicing of Finance	19	(2,430)	8,882
Taxation	19	(61,113)	(20,877)
Capital Expenditure and Financial Investment	19	(743,555)	(432,865)
Cash Outflow Before Financing		(100,844)	(96,353)
Financing	19	241,945	–
Increase/(Decrease) in Cash	19	<u>141,101</u>	<u>(96,353)</u>

The notes on pages 8 to 17 form part of these abbreviated accounts.

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Turnover

Turnover represents amounts invoiced to customers in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Tenants Improvements	4% Straight line p.a.
Plant & Equipment	15% Reducing balance p.a.
Motor Vehicles	20% Reducing balance p.a.

Investment Properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

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

Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

1. Accounting Policies *(continued)*

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred Taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on the sale has been recognised in the financial statements.

2. Operating (Loss)/Profit

Operating (loss)/profit is stated after charging/(crediting):

	2009	2008
	£	£
Depreciation of owned fixed assets	525,982	636,028
Depreciation of assets held under hire purchase agreements	44,486	-
Loss/(Profit) on disposal of fixed assets	67,239	(91,509)
Auditor's remuneration		
- as auditor	<u>5,750</u>	<u>5,320</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2009	2008
	No	No
Office and management	8	8
Drivers and mechanics	46	48
	<u>54</u>	<u>56</u>

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	1,809,437	2,049,470
Social security costs	192,820	224,346
Other pension costs	150,000	150,000
	<u>2,152,257</u>	<u>2,423,816</u>

4. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2009	2008
	£	£
Remuneration receivable	425,396	593,349
Value of company pension contributions to money purchase schemes	150,000	150,000
	<u>575,396</u>	<u>743,349</u>

Remuneration of highest paid director:

	2009	2008
	£	£
Total remuneration (excluding pension contributions)	127,624	148,386
Value of company pension contributions to money purchase schemes	50,000	50,000
	<u>177,624</u>	<u>198,386</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2009	2008
	No	No
Money purchase schemes	<u>5</u>	<u>5</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

5. Interest Payable and Similar Charges

	2009	2008
	£	£
Finance charges	<u>5,119</u>	<u>-</u>

6. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 21% (2008 - 21%)	14,949	61,639
Over/under provision in prior year	<u>(526)</u>	<u>-</u>
Total current tax	14,423	61,639
Deferred tax:		
Origination and reversal of timing differences	<u>(27,363)</u>	<u>12,879</u>
Tax on (loss)/profit on ordinary activities	<u>(12,940)</u>	<u>74,518</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2008 - 21%).

	2009	2008
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(65,304)</u>	<u>269,988</u>
(Loss)/profit on ordinary activities by rate of tax	(13,714)	56,697
Excess of capital allowances over depreciation	27,978	24,569
Expenses/income not deductible for tax purposes	685	(21,686)
Adjustment to tax rate in period	-	2,059
Overprovision in earlier year	<u>(526)</u>	<u>-</u>
Total current tax (note 7(a))	<u>14,423</u>	<u>61,639</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

7. Tangible Fixed Assets

	Investment Property £	Plant & Equipment £	Tenants Improvement £	Motor Vehicles £	Total £
Cost or Valuation					
At 1 November 2008	240,000	299,312	73,284	3,843,524	4,456,120
Additions	-	11,406	-	1,043,500	1,054,906
Disposals	-	(1,001)	-	(839,130)	(840,131)
At 31 October 2009	<u>240,000</u>	<u>309,717</u>	<u>73,284</u>	<u>4,047,894</u>	<u>4,670,895</u>
Depreciation					
At 1 November 2008	-	139,744	31,554	1,326,633	1,497,931
Charge for the year	-	24,297	2,931	543,240	570,468
On disposals	-	(679)	-	(460,862)	(461,541)
At 31 October 2009	<u>-</u>	<u>163,362</u>	<u>34,485</u>	<u>1,409,011</u>	<u>1,606,858</u>
Net Book Value					
At 31 October 2009	<u>240,000</u>	<u>146,355</u>	<u>38,799</u>	<u>2,638,883</u>	<u>3,064,037</u>
At 31 October 2008	<u>240,000</u>	<u>159,568</u>	<u>41,730</u>	<u>2,516,891</u>	<u>2,958,189</u>

The company's investment property is included in the financial statements at directors' valuation. The directors of the company are of the opinion that this value is an accurate reflection of the open market value of the property.

Hire purchase agreements

Included within the net book value of £3,064,037 is £550,799 (2008 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £44,486 (2008 - £Nil).

8. Stocks

	2009 £	2008 £
Stock	<u>41,300</u>	<u>20,000</u>

9. Debtors

	2009 £	2008 £
Trade debtors	865,196	1,118,254
Other debtors	6,787	36,442
Prepayments and accrued income	31,175	27,108
	<u>903,158</u>	<u>1,181,804</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

10. Creditors: Amounts Falling due Within One Year

	2009	2008
	£	£
Trade creditors	194,373	282,915
Other creditors including taxation and social security:		
Corporation tax	14,949	61,639
Other taxation and social security	180,076	285,868
Hire purchase agreements	232,975	-
Other creditors	467,419	472,834
Directors current accounts	183,680	118,000
	<u>1,079,099</u>	<u>938,341</u>
Accruals and deferred income	19,708	11,564
	<u>1,293,180</u>	<u>1,232,820</u>

11. Creditors: Amounts Falling due after More than One Year

	2009	2008
	£	£
Trade creditors	<u>8,970</u>	<u>-</u>

12. Commitments under Hire Purchase Agreements

Future commitments under hire purchase agreements are as follows:

	2009	2008
	£	£
Amounts payable within 1 year	236,789	-
Less interest and finance charges relating to future periods	(3,814)	-
	<u>232,975</u>	<u>-</u>
Hire purchase agreements are analysed as follows:		
Current obligations	232,975	-
	<u>232,975</u>	<u>-</u>

13. Pensions

The company operates a defined contribution pension scheme for its directors. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £150,000 (2008 - £150,000).

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

14. Deferred Taxation

The movement in the deferred taxation provision during the year was:

	2009 £	2008 £
Provision brought forward	365,165	352,286
Profit and loss account movement arising during the year	(27,363)	12,879
Provision carried forward	<u>337,802</u>	<u>365,165</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	<u>337,802</u>	<u>365,165</u>
	<u>337,802</u>	<u>365,165</u>

15. Commitments under Operating Leases

At 31st October 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2009 £	2008 £
Operating leases which expire:		
Within 2 to 5 years	<u>55,000</u>	<u>55,000</u>

16. Transactions With the Directors

At 31 October 2009 the directors loan account was in credit by the sum of £183,680 (2008 - £118,000). The loan is interest free and repayable on demand.

The company rented its operating premises from the trustees of the directors' retirement and death benefit scheme. The charge for the year amounted to £55,000 (2008-£57,500). The company also paid expenses on behalf of the pension scheme totalling £2,945 (2008 - £3,405).

The company sold a motor vehicle to Edna Nelson, a director of the company for a consideration of £7,300 in the year.

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

17. Share Capital

Authorised share capital:

	2009	2008
	£	£
70,000 Ordinary shares of £1 each	<u>70,000</u>	<u>70,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
64,625 Ordinary shares of £1 each	<u>64,625</u>	<u>64,625</u>	<u>64,625</u>	<u>64,625</u>

18. Reconciliation of Movements in Shareholders' Funds

	2009	2008
	£	£
(Loss)/Profit for the financial year	(52,364)	195,470
Opening shareholders' funds	<u>2,839,671</u>	<u>2,644,201</u>
Closing shareholders' funds	<u>2,787,307</u>	<u>2,839,671</u>

19. Notes to the Cash Flow Statement

Reconciliation of Operating (Loss)/Profit to Net Cash Inflow From Operating Activities

	2009	2008
	£	£
Operating (loss)/profit	(62,874)	261,106
Depreciation	570,468	636,028
Loss/(Profit) on disposal of fixed assets	67,239	(91,509)
Increase in stocks	(21,300)	(4,000)
Decrease in debtors	278,646	56,540
Decrease in creditors	<u>(125,925)</u>	<u>(509,658)</u>
Net cash inflow from operating activities	<u>706,254</u>	<u>348,507</u>

Returns on Investments and Servicing of Finance

	2009	2008
	£	£
Interest received	2,689	8,882
Interest element of hire purchase	<u>(5,119)</u>	<u>-</u>
Net cash (outflow)/inflow from returns on investments and servicing of finance	<u>(2,430)</u>	<u>8,882</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

19. Notes to the Cash Flow Statement *(continued)*

Taxation

	2009	2008
	£	£
Taxation	<u>(61,113)</u>	<u>(20,877)</u>

Capital Expenditure

	2009	2008
	£	£
Payments to acquire tangible fixed assets	(1,054,906)	(1,051,815)
Receipts from sale of fixed assets	<u>311,351</u>	<u>618,950</u>
Net cash outflow from capital expenditure	<u>(743,555)</u>	<u>(432,865)</u>

Financing

	2009	2008
	£	£
Net inflow from long-term trade creditors	8,970	-
Capital element of hire purchase	<u>232,975</u>	<u>-</u>
Net cash inflow from financing	<u>241,945</u>	<u>-</u>

Reconciliation of Net Cash Flow to Movement in Net Funds

	2009	2008
	£	£
Increase/(decrease) in cash in the period	141,101	(96,353)
Net cash (inflow) from long-term trade creditors	(8,970)	-
Cash outflow in respect of hire purchase	<u>(232,975)</u>	<u>-</u>
	(100,844)	(96,353)
Change in net funds	(100,844)	(96,353)
Net funds at 1 November 2008	<u>277,663</u>	<u>374,016</u>
Net funds at 31 October 2009	<u>176,819</u>	<u>277,663</u>

A & J Nelson (Haulage Contractors) Limited

Notes to the Abbreviated Accounts

Year Ended 31st October 2009

19. Notes to the Cash Flow Statement *(continued)*

Analysis of Changes in Net Funds

	At 1 Nov 2008 £	Cash flows £	At 31 Oct 2009 £
Net cash:			
Cash in hand and at bank	277,663	141,101	418,764
Debt:			
Debt due after 1 year	-	(8,970)	(8,970)
Hire purchase agreements	-	(232,975)	(232,975)
	-	(241,945)	(241,945)
Net funds	277,663	(100,844)	176,819