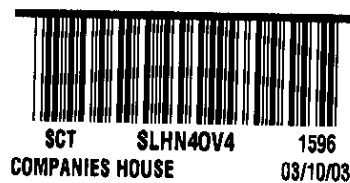


**MACASKILL HAULAGE LIMITED**

*Registered number: SC 215632*

**Director's Report and Financial Statements**

**For the year ended 31 March 2003**



# **MACASKILL HAULAGE LIMITED**

## **Company Information**

### **Director**

Donald Roderick Murray

### **Secretary**

BLP Secretaries Limited

### **Registered office**

130 St Vincent Street  
Glasgow  
G2 5HF

### **Registered number**

SC 215632

### **Auditors**

Scott-Moncrieff  
Chartered Accountants  
Registered Auditor  
25 Bothwell Street  
Glasgow  
G2 6NL

### **Solicitor**

Semple Fraser W.S.  
130 St Vincent Street  
Glasgow  
G2 5HF

### **Principal banker**

The Royal Bank of Scotland  
17 North Beach Street  
Stornoway  
Isle of Lewis  
HS1 2XH

# **MACASKILL HAULAGE LIMITED**

## **Financial Statements**

**For the year ended 31 March 2003**

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# MACASKILL HAULAGE LIMITED

## Report of the Director

The director presents his report and the audited financial statements for the year ended 31 March 2003.

### Principal activity

The principal activity and core business of the company continued to be road haulage contracting.

### Review of business

The net profit before providing for taxation amounted to £111,647

### Dividends

The director does not recommend the payment of a dividend for the year.

### Land and buildings

In the opinion of the director, the market value of land and buildings is not materially different from their book value.

### Director and his interests

The director in office and his beneficial interests in the share capital of the company at the beginning of the year and balance sheet date were as follows:

#### Ordinary Shares of £1 each

	31 March 2003	1 April 2002
Donald Roderick Murray	10,000	10,000

### Statement of director's responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the director is required to:

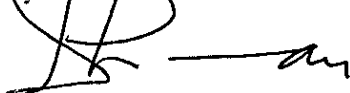
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### Auditors

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants, as auditors will be put to members at the annual general meeting.

By order of the board



Donald Roderick Murray  
Director

29 September 2003

## MACASKILL HAULAGE LIMITED

### Independent auditor's report to the shareholders of Macaskill Haulage Limited

We have audited the financial statements of Macaskill Haulage Limited for the year ended 31 March 2003 set out on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the director and auditors

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the director's remuneration and transactions with the company is not disclosed.

We read the Director's report and consider the implications for our report, if we become aware of any apparent misstatements within it.

### Basis of opinion

We conducted our audit in accordance with United Kingdom 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Scott - Moncrieff*

Scott-Moncrieff

Chartered Accountants

Registered Auditor

25 Bothwell Street

Glasgow

G2 6NL

02 October 2003

# MACASKILL HAULAGE LIMITED

## Profit and Loss Account

For the year ended 31 March 2003

	Note	2003 £	2002 £
Turnover		4,784,459	4,954,159
Cost of sales		<u>3,956,747</u>	<u>4,216,566</u>
Gross profit		827,712	737,593
Administrative expenses		<u>539,788</u>	<u>460,914</u>
		<u>287,924</u>	<u>276,679</u>
Operating profit	2	287,924	276,679
Interest payable and similar charges	5	<u>(176,277)</u>	<u>(162,449)</u>
Profit on ordinary activities before taxation		111,647	114,230
Taxation	6	<u>27,720</u>	<u>28,000</u>
Profit on ordinary activities after taxation		<u><u>83,927</u></u>	<u><u>86,230</u></u>

None of the company's activities were acquired or discontinued during the above two years.

There were no recognised gains and losses for the above two years other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.

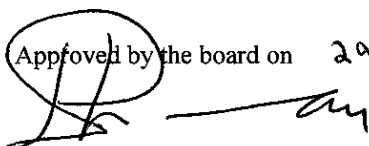
# MACASKILL HAULAGE LIMITED

## Balance Sheet

At 31 March 2003

	Note	£	2003 £	£	2002 £
<b>Fixed assets</b>					
Intangible assets	7		443,028		470,514
Tangible assets	8		1,768,720		1,927,097
			<u>2,211,748</u>		<u>2,397,611</u>
<b>Current assets</b>					
Stocks	9	33,585		26,322	
Debtors	10	866,689		830,051	
Cash at bank and in hand		1,424		1,198	
			<u>901,698</u>	<u>857,571</u>	
Creditors: amounts falling due within one year	11	(1,704,886)		(1,511,008)	
<b>Net current liabilities</b>			<u>(803,188)</u>		<u>(653,437)</u>
<b>Total assets less current liabilities</b>			<u>1,408,560</u>		<u>1,744,174</u>
Creditors: amounts falling due after more than one year	12		(1,172,683)		(1,619,944)
Provisions for liabilities and charges	13		(55,720)		(28,000)
<b>Net assets</b>			<u><u>180,157</u></u>		<u><u>96,230</u></u>
<b>Capital and reserves - equity</b>					
Called up share capital	14		10,000		10,000
Profit and loss account	15		170,157		86,230
<b>Shareholders' funds</b>	16		<u><u>180,157</u></u>		<u><u>96,230</u></u>

Approved by the board on 29 September 2003



Donald Roderick Murray  
Director

The notes on pages 7 to 14 form part of these financial statements.

# MACASKILL HAULAGE LIMITED

## Cash Flow Statement

For the year ended 31 March 2003

### Reconciliation of operating profit to operating cash flow

	£	2003 £	£	2002 £
Operating profit		287,924		276,679
Depreciation		257,410		215,175
Amortisation		27,486		19,470
Disposal of fixed assets		1,449		18,620
Change in stocks		(7,263)		(26,322)
Change in debtors		(36,638)		(830,051)
Change in creditors		(87,911)		611,370
Operating cash flow		<u>442,457</u>		<u>284,941</u>

### Cash flow statement

Operating cash flow	442,457	284,941
---------------------	---------	---------

### Returns on investment and servicing of finance

Interest paid	(176,277)	(162,449)
Net cash flow from returns on investment and servicing of finance	(176,277)	(162,449)

### Capital expenditure and financial investment

Purchase of tangible fixed assets	(67,481)	(1,581,112)
Sale of tangible fixed assets	<u>16,500</u>	<u>2,302</u>
Net cash flow from capital expenditure and financial investment	(50,981)	(1,578,810)

### Acquisitions and disposals

Acquisition of goodwill	-	(489,984)
Net cash flow from acquisitions and disposals	-	(489,984)
	<u>215,199</u>	<u>(1,946,302)</u>

### Financing

Issue of shares	-	10,000
Loans raised	-	1,750,000
Loan repayments	(246,662)	(126,082)
Capital element of finance lease repayments	<u>(168,929)</u>	<u>(175,542)</u>
Net cash flow from financing	(415,591)	1,458,376
Net cash flow for the year	<u>(200,392)</u>	<u>(487,926)</u>

The notes on pages 7 to 14 form part of these financial statements.



# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 1 Accounting policies

#### *Basis of accounting*

#### *Turnover*

Turnover represents amounts invoiced during the year, net of Value Added Tax.

#### *Intangible fixed assets*

Intangible fixed assets are stated at cost, and are amortised on a straight line basis over the following periods:

Goodwill - 20 years

#### *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost of tangible fixed assets as follows:

Freehold properties - 2% SL (2% RB)

Plant and machinery - 20% SL (20% RB)

Fixtures and fittings - 20% SL (15% RB)

Motor vehicles - 16.6%-25% SL (20%-25% RB)

The director is of the opinion that the change in accounting policy, from the reducing balance to the straight line method, will give a more accurate reflection on the value of the assets over their useful lives. (2002 rates are shown in brackets)

#### *Leasing and hire purchase commitments*

Assets held under finance leases are treated as tangible fixed assets, and initially recorded at the present value of the minimum lease payments at the inception of the lease. These assets are depreciated over their useful economic lives.

Obligations under finance leases are included within creditors, net of finance charges allocated to future periods.

#### *Stocks*

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

#### *Deferred taxation*

Deferred taxation is provided for at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods that differ from those in which they are included in the financial statements.

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 2 Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation of tangible assets	257,410	215,175
Amortisation of intangible assets	27,486	19,470
Hire of equipment	14,640	-
Auditors' remuneration - audit	7,000	9,250
Loss on sale of tangible fixed assets	<u>1,449</u>	<u>18,620</u>

### 3 Director's remuneration

The director did not receive any emoluments during the year.

### 4 Staff costs and numbers

Staff costs were as follows:

	2003 £	2002 £
Wages and salaries	817,200	817,069
Social security costs	<u>67,951</u>	<u>67,835</u>
	<u>885,151</u>	<u>884,904</u>

The average monthly number of employees was 52 (2002 58).

The staff of the company worked in the following activities:

Management and administration	8	8
Drivers	37	42
Maintenance and production	<u>7</u>	<u>8</u>
	<u>52</u>	<u>58</u>

### 5 Interest payable and similar charges

	2003 £	2002 £
Bank loans and overdrafts	<u>176,277</u>	<u>162,449</u>

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 6 Taxation

	2003 £	2002 £
Deferred taxation	<u>27,720</u>	<u>28,000</u>
The tax assessed for the year differs from the standard rate of tax as follows.		
	2003 £	2002 £
Profit on ordinary activities before tax	<u>111,647</u>	<u>114,230</u>
Profit on ordinary activities at standard rate of tax 19% ( 2002 20%)	21,213	22,846
Expenses not deductible for tax purposes	5,973	7,617
Capital allowances in excess of depreciation	1,009	(72,921)
Utilisation of tax losses	<u>(28,195)</u>	<u>42,458</u>
	<u>-</u>	<u>-</u>

### 7 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2002	<u>489,984</u>
<b>Amortisation</b>	
At 1 April 2002	19,470
Amortisation for the year	<u>27,486</u>
At 31 March 2003	<u>46,956</u>
<b>Net book value</b>	
At 31 March 2003	<u>443,028</u>
31 March 2002	<u>470,514</u>

The intangible fixed asset represents purchased goodwill and is amortised in equal instalments over 20 years.

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 8 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2002	741,013	14,493	11,650	1,374,015	2,141,171
Additions	3,981	-	-	113,000	116,981
Disposals	-	-	-	(22,067)	(22,067)
At 31 March 2003	<u>744,994</u>	<u>14,493</u>	<u>11,650</u>	<u>1,464,948</u>	<u>2,236,085</u>
<b>Depreciation</b>					
At 1 April 2002	9,669	1,138	1,478	201,789	214,074
Charge for the year	14,900	2,899	2,330	237,281	257,410
Eliminated on disposal	-	-	-	(4,119)	(4,119)
At 31 March 2003	<u>24,569</u>	<u>4,037</u>	<u>3,808</u>	<u>434,951</u>	<u>467,365</u>
<b>Net book value</b>					
At 31 March 2003	<u>720,425</u>	<u>10,456</u>	<u>7,842</u>	<u>1,029,997</u>	<u>1,768,720</u>
At 31 March 2002	<u>731,344</u>	<u>13,355</u>	<u>10,172</u>	<u>1,172,226</u>	<u>1,927,097</u>

The net book value of land and buildings is split as follows:

	2003 £	2002 £
Freehold	<u>720,425</u>	<u>731,344</u>

Included within fixed assets are assets held under finance leases and hire purchase agreements with a net book value of £400,586 (2002: £543,685). Depreciation charged on these assets during the year was £90,980 (2002: £62,926).

The effect of the change in the depreciation accounting policy was to decrease depreciation in the year by £3,946. If the accounting policy change had been in place during 2002 the effect would have been to decrease the depreciation charge in that year by £31,793.

### 9 Stocks

	2003 £	2002 £
Stock of consumables	<u>33,585</u>	<u>26,322</u>

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 10 Debtors

	2003 £	2002 £
Trade debtors	819,353	778,931
Other debtors	15,640	16,372
Prepayments and accrued income	31,696	34,748
	<u>866,689</u>	<u>830,051</u>

### 11 Creditors: amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	1,020,463	735,786
Trade creditors	441,080	536,081
Other taxation and social security	66,680	60,812
Finance lease creditors	160,964	163,852
Other creditors	24	124
Accruals and deferred income	15,675	14,353
	<u>1,704,886</u>	<u>1,511,008</u>

The company's bank borrowings are secured by a bond and floating charge over the assets of the company.

### 12 Creditors: amounts falling due after more than one year

	2003 £	2002 £
Bank loans	1,046,535	1,377,256
Finance lease creditors	126,148	242,688
	<u>1,172,683</u>	<u>1,619,944</u>

Amounts are due within the following periods:

Between one and two years	475,208	475,845
Between two and five years	516,273	949,321
In five years or more	181,202	194,778
	<u>1,172,683</u>	<u>1,619,944</u>

The company's bank loans consist of a five year loan at 8.09% repayable by July 2006 and 15 year commercial mortgage at 7.54% repayable by March 2017.

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 13 Provisions for liabilities and charges

Total provisions for liabilities and charges:

	2003 £	2002 £
Deferred tax	<u>55,720</u>	<u>28,000</u>

Deferred tax provided in the accounts comprises:

	2003 £	2002 £
Accelerated capital allowances	67,860	28,000
Other timing differences	<u>(12,140)</u>	<u>-</u>
	<u>55,720</u>	<u>28,000</u>

The movement in the deferred tax provision during the year was as follows:

	£
At 1 April 2002	(28,000)
Movement in the year	<u>(27,720)</u>
At 31 March 2003	<u>55,720</u>

### 14 Share capital

	2003 £	2002 £
Authorised		
Equity		
10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
	2003 £	2002 £
Allotted, called up and fully paid		
Equity		
10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>

### 15 Reserves

	Profit and loss account £
At 1 April 2002	86,230
Transfer for the year	<u>83,927</u>
At 31 March 2003	<u>170,157</u>

# MACASKILL HAULAGE LIMITED

## Notes to the Financial Statements

For the year ended 31 March 2003

### 16 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	83,927	86,230
New share capital subscribed	-	(10,000)
Net addition to shareholders' funds	(83,927)	(96,230)
Opening shareholders' funds	(96,230)	-
Closing shareholders' funds	<u>(180,157)</u>	<u>(96,230)</u>

### 17 Reconciliation of net cash flow to movement in net debt

	2003 £	2002 £
Change in cash in the year	(200,392)	(487,926)
Change in debt financing	415,591	(1,448,376)
Inception of finance leases	(49,500)	(582,082)
Movement in net debt in the period	165,699	(2,518,384)
Net debt brought forward	<u>(2,518,384)</u>	-
Net debt carried forward	<u>(2,352,685)</u>	<u>(2,518,384)</u>

### 18 Analysis of changes in net debt

	Brought forward £	Cash flow £	Other changes £	Carried forward £
Cash	1,198	226	-	1,424
Overdrafts	(489,124)	(200,618)	-	(689,742)
Debt due within one year	(410,514)	415,591	(496,762)	(491,685)
Debt due after one year	<u>(1,619,944)</u>	<u>-</u>	<u>447,262</u>	<u>(1,172,682)</u>
	<u>(2,518,384)</u>	<u>215,199</u>	<u>(49,500)</u>	<u>(2,352,685)</u>

### 19 Related parties

During the year loans were made to the company's director.

The amount outstanding at the beginning of the year was £6,000; the amount outstanding at the end of the year was £11,895; the maximum amount overdrawn in the year was £11,895. The loan is interest free and payable on demand.

During the year the company generated turnover from haulage work done for Kenneth Mackenzie Limited and Kenneth Macleod (Shawbost) Limited of £11,287 and £4,949 respectively. Both of these companies are owned by Donald Roderick Murray, the sole director and shareholder of Macaskill Haulage Limited.

**MACASKILL HAULAGE LIMITED**

**Notes to the Financial Statements**

**For the year ended 31 March 2003**

**20 Ultimate controlling party**

The company's ultimate controlling party is Donald Roderick Murray, who is the sole director and shareholder of the company.



**MACASKILL HAULAGE LIMITED****Detailed Profit and Loss Account****For the year ended 31 March 2003**

	£	2003 £	£	2002 £
<b>Turnover</b>		4,784,459		4,954,159
<b>Cost of sales</b>				
Purchases	292,694		343,273	
Wages and salaries	885,151		884,904	
Other direct costs	<u>2,778,902</u>		<u>2,988,389</u>	
	3,956,747		4,216,566	
		<u>(3,956,747)</u>		<u>(4,216,566)</u>
<b>Gross profit</b>		827,712		737,593
Administrative expenses		<u>(539,788)</u>		<u>(460,914)</u>
<b>Operating profit</b>		287,924		276,679
<b>Other income and expenses</b>				
Interest payable				
Bank interest	<u>(176,277)</u>		<u>(162,449)</u>	
		<u>(176,277)</u>		<u>(162,449)</u>
<b>Net profit for the year</b>		<u>111,647</u>		<u>114,230</u>

**MACASKILL HAULAGE LIMITED**

**Detailed Profit and Loss Account**

**For the year ended 31 March 2003**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Administrative expenses</b>		
Rates	36,727	25,496
Insurance	127,682	101,234
Light and heat	14,664	13,368
Repairs and maintenance	16,387	18,700
Stationery	5,906	3,833
Postage, telephone, fax	8,748	8,871
Legal and professional	3,950	5,735
Audit fees	7,000	9,250
Bank and credit card charges	8,465	5,416
Sundry expenses	23,914	15,746
Amortisation	27,486	19,470
Depreciation	257,410	215,175
Disposal of fixed assets	1,449	18,620
	<u>539,788</u>	<u>460,914</u>