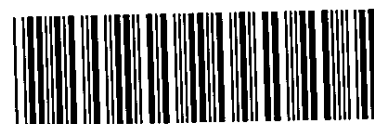


COMPANY REGISTRATION NUMBER SC287764

**A M PHILLIP TRUCKTECH LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2012**

SATURDAY



\*S2HURLUW\*

SCT

28/09/2013

#6

COMPANIES HOUSE

**FOURM**

Chartered Accountants & Statutory Auditor  
Stannergate House  
41 Dundee Road West  
Broughty Ferry  
Dundee DD5 1NB

**A M PHILLIP TRUCKTECH LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

---

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	1
The directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report to the shareholders	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	11

---

**A M PHILLIP TRUCKTECH LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

---

<b>The board of directors</b>	G K Phillip W R Gibb T S Hally G Tasker J C Davidson M Gibbons A Cormack A M Phillip G W Phillip
<b>Company secretary</b>	A M Phillip
<b>Registered office</b>	Muiryfaulds Forfar DD8 1XP
<b>Auditor</b>	FourM Chartered Accountants & Statutory Auditor Stannergate House 41 Dundee Road West Broughty Ferry Dundee DD5 1NB
<b>Bankers</b>	The Royal Bank of Scotland plc 133 Albert Street Dundee DD4 6PR
<b>Solicitors</b>	MacHardy Alexander & Whyte, W.S. 71 Castle Street Forfar Angus DD8 3AG

# **A M PHILLIP TRUCKTECH LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2012**

---

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2012.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal operational activities of A.M. Phillip Trucktech Limited continues to be the sale of new and used vans, trucks and minibuses, combined with the associated provision of a vast range of support services including parts supply and delivery and servicing of vehicles.

The company turnover has risen by 4.7% to £42.2m (2011 - £40.3m). Vehicle sales increased by 10%, while aftersales services including sales of vehicle parts, fell by 6% compared with the previous year, which reflected the national position of the market in these areas. The market continues to be highly competitive for all areas of the company's business with margins in both the parts and servicing departments reducing in comparison to 2011. The directors are satisfied with the company's performance in the face of a continuing competitive market.

Forecasts for 2013 suggest a slight reduction in turnover with extreme pressure on margins.

### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £59,105. The directors have not recommended a dividend.

### **DIRECTORS**

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

G K Phillip  
W R Gibb  
T S Hally  
G Tasker  
J C Davidson  
M Gibbons  
A Cormack  
A M Phillip  
G W Phillip

**A M PHILLIP TRUCKTECH LIMITED**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2012**

---

**AUDITOR**

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

Registered office:

Muiryfaulds

Forfar

DD8 1XP

Signed by order of the directors



A M PHILLIP  
Company Secretary

Approved by the directors on 25 September 2013

**A M PHILLIP TRUCKTECH LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR ENDED 31 DECEMBER 2012**

---

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 year.

In preparing those financial statements, the directors are required to:

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

The directors are responsible for 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.

**A M PHILLIP TRUCKTECH LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**A M PHILLIP TRUCKTECH LIMITED**  
**YEAR ENDED 31 DECEMBER 2012**

---

We have audited the financial statements of A M Phillip Trucktech Limited for the year ended 31 December 2012 on pages 7 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

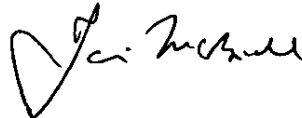
**A M PHILLIP TRUCKTECH LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**A M PHILLIP TRUCKTECH LIMITED** *(continued)*  
**YEAR ENDED 31 DECEMBER 2012**

---

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



IAIN McBRIDE (Senior Statutory Auditor)

For and on behalf of

FOURM

Chartered Accountants  
& Statutory Auditor

Stannergate House  
41 Dundee Road West  
Broughty Ferry  
Dundee DD5 1NB

25 September 2013



# **A M PHILLIP TRUCKTECH LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2012**

---

	Note	2012 £	2011 £
<b>TURNOVER</b>	<b>2</b>	<b>42,200,062</b>	<b>40,318,328</b>
Cost of sales		36,775,997	34,815,446
<b>GROSS PROFIT</b>		<b>5,424,065</b>	<b>5,502,882</b>
Distribution costs		663,098	616,631
Administrative expenses		4,507,751	4,301,975
<b>OPERATING PROFIT</b>	<b>3</b>	<b>253,216</b>	<b>584,276</b>
Interest payable and similar charges	<b>6</b>	183,730	113,507
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>69,486</b>	<b>470,769</b>
Tax on profit on ordinary activities	<b>7</b>	10,381	112,620
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>59,105</b>	<b>358,149</b>

---

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 11 to 21 form part of these financial statements.

---

# A M PHILLIP TRUCKTECH LIMITED

## BALANCE SHEET

31 DECEMBER 2012

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	8	465,549	470,130
<b>CURRENT ASSETS</b>			
Stocks	9	10,336,278	11,360,128
Debtors	10	3,523,812	3,733,521
Cash at bank and in hand		541,689	608,929
		14,401,779	15,702,578
<b>CREDITORS: Amounts falling due within one year</b>	12	12,875,940	14,117,085
<b>NET CURRENT ASSETS</b>		1,525,839	1,585,493
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,991,388	2,055,623
<b>CREDITORS: Amounts falling due after more than one year</b>	13	359,921	483,261
		1,631,467	1,572,362
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	9,250	9,250
Capital redemption reserve	19	600,000	500,000
Profit and loss account	20	1,022,217	1,063,112
<b>SHAREHOLDERS' FUNDS</b>	21	1,631,467	1,572,362

These financial statements were approved by the directors and authorised for issue on 25 September 2013, and are signed on their behalf by:



G K PHILLIP  
Director

Company Registration Number: SC287764

The notes on pages 11 to 21 form part of these financial statements.

**A M PHILLIP TRUCKTECH LIMITED****CASH FLOW STATEMENT****YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>487,981</b>	<b>2,176,086</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest paid	(178,887)	(109,139)
Interest element of hire purchase	<u>(4,843)</u>	<u>(4,368)</u>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>(183,730)</b>	<b>(113,507)</b>
<b>TAXATION</b>	<b>(77,620)</b>	<b>(215,275)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(177,641)	(254,112)
Receipts from sale of fixed assets	<u>8,580</u>	<u>4,692</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(169,061)</b>	<b>(249,420)</b>
<b>CASH INFLOW BEFORE FINANCING</b>	<b>57,570</b>	<b>1,597,884</b>
<b>FINANCING</b>		
Redemption of shares classed as financial liabilities	(100,000)	(500,000)
Repayment of long-term amounts owed to group undertakings	—	(708,426)
Capital element of hire purchase	<u>(24,810)</u>	<u>40,534</u>
<b>NET CASH OUTFLOW FROM FINANCING</b>	<b>(124,810)</b>	<b>(1,167,892)</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b><u>(67,240)</u></b>	<b><u>429,992</u></b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
	2012	2011
	£	£
Operating profit	253,216	584,276
Depreciation	179,129	188,129
Profit on disposal of fixed assets	(5,487)	(3,719)
Decrease/(increase) in stocks	1,023,850	(3,805,398)
Decrease in debtors	234,327	1,281,956
(Decrease)/increase in creditors	<u>(1,197,054)</u>	<u>3,930,842</u>
Net cash inflow from operating activities	<b><u>487,981</u></b>	<b><u>2,176,086</u></b>

The notes on pages 11 to 21 form part of these financial statements.

# A M PHILLIP TRUCKTECH LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2012

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2012	2011
	£	£
(Decrease)/increase in cash in the period	(67,240)	429,992
Net cash outflow from redemption of shares classed as financial liabilities	100,000	500,000
Net cash outflow from long-term amounts owed to group undertakings	—	708,426
Cash outflow in respect of hire purchase	24,810	(40,534)
	<u>57,570</u>	<u>1,597,884</u>
Change in net funds	57,570	1,597,884
Net debt at 1 January 2012	(49,252)	(1,647,136)
Net funds at 31 December 2012	<u>8,318</u>	<u>(49,252)</u>

### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2012 £	Cash flows £	At 31 Dec 2012 £
Net cash:			
Cash in hand and at bank	608,929	(67,240)	541,689
Debt:			
Debt due within 1 year	(100,000)	—	(100,000)
Debt due after 1 year	(400,000)	100,000	(300,000)
Hire purchase agreements	(158,181)	24,810	(133,371)
	<u>(658,181)</u>	<u>124,810</u>	<u>(533,371)</u>
Net funds	<u>(49,252)</u>	<u>57,570</u>	<u>8,318</u>

The notes on pages 11 to 21 form part of these financial statements.

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

---

**1. ACCOUNTING POLICIES**

**Basis of accounting**

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

**Going Concern**

The Board of Directors confirm that, after making appropriate enquiries, they have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing these Financial Statements.

**Turnover**

Turnover represents the invoiced amounts for the sale, repair and servicing of motor vehicles, stated net of value added tax.

**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:

Plant & Machinery	- 15% to 25% per annum on cost
Fixtures & Fittings	- 15% to 25% per annum on cost
Motor Vehicles	- 25% per annum on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate.

**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 M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

---

**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 all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**2. TURNOVER**

The turnover and profit before tax are attributable to the principal activities of the company.

An analysis of turnover is given below:

	2012	2011
	£	£
United Kingdom	42,200,062	40,318,328

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**3. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

	2012 £	2011 £
Depreciation of owned fixed assets	114,343	130,922
Depreciation of assets held under hire purchase agreements	64,786	57,207
Profit on disposal of fixed assets	(5,487)	(3,719)
Auditor's remuneration		
- as auditor	<u>15,000</u>	<u>15,000</u>

**4. PARTICULARS OF EMPLOYEES**

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

	2012 No	2011 No
Number of administrative staff	46	46
Number of sales and service staff	140	141
	<u>186</u>	<u>187</u>

The aggregate payroll costs of the above were:

	2012 £	2011 £
Wages and salaries	4,757,632	4,714,355
Social security costs	472,680	470,494
Staff pension costs	67,062	21,612
Directors' pension costs	12,299	11,232
	<u>5,309,673</u>	<u>5,217,693</u>

**5. DIRECTORS' REMUNERATION**

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

	2012 £	2011 £
Remuneration receivable	245,185	280,962
Value of company pension contributions to money purchase schemes	12,299	11,232
	<u>257,484</u>	<u>292,194</u>

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**5. DIRECTORS' REMUNERATION** *(continued)*

**Remuneration of highest paid director:**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Total remuneration (excluding pension contributions)	67,227	76,494
Value of company pension contributions to money purchase schemes	2,564	3,462
	<u>69,791</u>	<u>79,956</u>

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

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	<u>4</u>	<u>4</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Finance charges	4,843	4,368
Other similar charges payable	178,887	109,139
	<u>183,730</u>	<u>113,507</u>

**7. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 24% (2011 - 26%)	28,068	112,620
Total current tax	28,068	112,620
Deferred tax:		
Origination and reversal of timing differences	(17,687)	-
Tax on profit on ordinary activities	<u>10,381</u>	<u>112,620</u>



**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**7. TAXATION ON ORDINARY ACTIVITIES** *(continued)*

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 24% (2011 - 26%).

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	69,486	470,769
Profit on ordinary activities by rate of tax	16,677	122,400
Depreciation for period in excess of capital allowances	12,801	(11,876)
Tax chargeable at higher rates	627	2,096
Marginal rate relief	(2,800)	-
Disallowable items	763	-
Total current tax (note 7(a))	<u>28,068</u>	<u>112,620</u>

**8. TANGIBLE FIXED ASSETS**

	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST</b>				
At 1 January 2012	534,151	120,082	475,011	1,129,244
Additions	108,829	8,135	60,677	177,641
Disposals	-	-	(44,111)	(44,111)
<b>At 31 December 2012</b>	<u>642,980</u>	<u>128,217</u>	<u>491,577</u>	<u>1,262,774</u>
<b>DEPRECIATION</b>				
At 1 January 2012	369,904	71,305	217,905	659,114
Charge for the year	54,989	12,532	111,608	179,129
On disposals	-	-	(41,018)	(41,018)
<b>At 31 December 2012</b>	<u>424,893</u>	<u>83,837</u>	<u>288,495</u>	<u>797,225</u>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2012</b>	<u>218,087</u>	<u>44,380</u>	<u>203,082</u>	<u>465,549</u>
At 31 December 2011	<u>164,247</u>	<u>48,777</u>	<u>257,106</u>	<u>470,130</u>

**Hire purchase agreements**

Included within the net book value of £465,549 is £175,800 (2011 - £197,945) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £64,786 (2011 - £57,207).

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**9. STOCKS**

	2012	2011
	£	£
Vehicles & equipment	8,939,456	10,122,040
Work in progress	150,701	118,383
Parts	1,246,121	1,119,705
	<u>10,336,278</u>	<u>11,360,128</u>

Vehicles and equipment exclude items on consignment from manufacturers, where title passes at the earlier of the date of sale or 120 days from date of consignment. After an initial interest free period, finance stocking charges are charged on all vehicle consignment stock. To include consignment stock at the year end would have the effect of increasing stock and trade creditors by £850,108 (2011 - £2,189,659).

**10. DEBTORS**

	2012	2011
	£	£
Trade debtors	2,317,125	2,670,977
Corporation tax repayable	6,931	-
Other debtors	1,182,069	1,062,544
Deferred taxation (note 11)	17,687	-
	<u>3,523,812</u>	<u>3,733,521</u>

**11. DEFERRED TAXATION**

The deferred tax included in the Balance sheet is as follows:

	2012	2011
	£	£
Included in debtors (note 10)	<u>17,687</u>	<u>-</u>

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

	2012	2011
	£	£
Profit and loss account movement arising during the year	17,687	-
Balance carried forward	<u>17,687</u>	<u>-</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2012	2011
	£	£
Excess of depreciation over taxation allowances	17,687	-
	<u>17,687</u>	<u>-</u>

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**12. CREDITORS: Amounts falling due within one year**

	2012	2011
	£	£
Trade creditors	11,392,201	12,584,447
Amounts owed to group undertakings	1,053,280	844,877
Other creditors including taxation and social security:		
Corporation tax	—	42,621
Other taxation and social security	114,312	139,220
Shares classed as financial liabilities	100,000	100,000
Hire purchase agreements	73,450	74,920
	<u>287,762</u>	<u>356,761</u>
Accruals and deferred income	142,697	331,000
	<u>12,875,940</u>	<u>14,117,085</u>

Included in Trade creditors are amounts due to FCE Bank plc and Iveco Limited in respect of stock purchases which are secured by bonds and floating charges over the whole property and undertaking, as well as a security over certain new vehicles stocks. The amount due to FCE Bank plc and Iveco Limited respectively, at the year end date was £4,256,089 (2011 - £5,474,120) and £6,002,350 (2011 - £5,343,742).

All of the securities granted by the company are the subjects of a specific ranking agreement.

**13. CREDITORS: Amounts falling due after more than one year**

	2012	2011
	£	£
Other creditors:		
Hire purchase agreements	59,921	83,261
Shares classed as financial liabilities	300,000	400,000
	<u>359,921</u>	<u>483,261</u>

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**14. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	2012 £	2011 £
Amounts payable within 1 year	78,362	78,239
Amounts payable between 2 to 5 years	66,601	88,421
	<u>144,963</u>	<u>166,660</u>
Less interest and finance charges relating to future periods	(11,592)	(8,479)
	<u>133,371</u>	<u>158,181</u>
Hire purchase agreements are analysed as follows:		
Current obligations	73,450	74,920
Non-current obligations	59,921	83,261
	<u>133,371</u>	<u>158,181</u>

**15. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings 2012 £	2011 £
Operating leases which expire:		
Within 2 to 5 years	<u>348,600</u>	<u>348,600</u>

**16. CONTINGENCIES**

Alongwith the ultimate parent company, A.M. Phillip Limited, and a fellow subsidiary, A M Phillip Agritech Limited, the company has provided the group's bank with an unlimited inter company guarantee for all sums.

The total amount due by A.M. Phillip Limited group to Royal Bank of Scotland plc at 31 December 2012 was £2,365,874 (2011 - £1,987,779).

**17. RELATED PARTY TRANSACTIONS**

The company was under the control of its parent company, A.M. Phillip Limited, throughout the current and previous year.

During the year, the company was charged for management services provided by its parent company. The total charges were £1,116,648 (2011 - £1,201,728).

In addition, the company is due to pay an amount of £1,053,280 (2011 - £844,877) to group companies as a result of transactions undertaken in the normal course of trading. This amount has no set repayments terms and does not attract interest.

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

---

**18. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	<b>2012</b>		<b>2011</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
925,000 Ordinary shares of £0.01 each	925,000	9,250	925,000	9,250
400,000 Preference shares (2011 - 500,000) of £1 each	400,000	400,000	500,000	500,000
	<u>1,325,000</u>	<u>409,250</u>	<u>1,425,000</u>	<u>509,250</u>

**Amounts presented in equity:**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
925,000 Ordinary shares of £0.01 each	<u>9,250</u>	<u>9,250</u>

**Amounts presented in liabilities:**

400,000 Preference shares (2011 - 500,000) of £1 each	<u>400,000</u>	<u>500,000</u>
---	----------------	----------------

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

---

**18. SHARE CAPITAL** *(continued)*

The main rights attached to each class of share are as follows:

**Dividends**

The profits of the company available for distribution shall be applied first in paying to the holders of the preference shares a cumulative net cash dividend (Preference Dividend) of an amount equal to 2% above the base rate on 1 January of the preceding year of £1 per preference share per annum, to be payable annually within 28 days of the end of each financial period of the company.

Where the company has insufficient profits available for distribution and is thereby prohibited from paying dividends, the preference dividend shall be a debt due by the company and be payable in priority to any other dividend. No dividends have been paid in the year to 31 December 2012.

**Return of Capital**

On a return of assets on liquidation or otherwise, the assets of the company remaining after the payment of its liabilities shall be applied:

first, in paying the holders of the preference shares a sum equal to the aggregate of (a) the amount paid up or credited as paid up on each of the preference shares held by them, and (b) an amount equal to any arrears and accruals of dividend thereon to be calculated down to the date of the return of capital, in priority to any repayment to any other shareholders;

second, in paying to the holders of the ordinary shares a sum equal to the aggregate of (a) and amount paid up or credited as paid up on each of the ordinary shares held by them, and (b) an amount equal to any arrears and accruals of dividend thereon to be calculated down to the date of the return of capital; and

third, in distributing the balance of such assets among the holders of the ordinary shares rateably according to the amounts paid up or credited as paid up on the shares held by them.

**Voting**

The preference shares shall entitle the holders thereof to receive notice of and to attend all general meetings of the members of the company and to receive copies of all circulars sent to holders of shares or debentures in the company but shall not entitle the holders by virtue of their holdings thereof to vote at any such meeting unless the preference dividend payable shall be more than six months in arrears of its payment date, in which event the preference shares shall entitle a holder present in person or by proxy at a general meeting, on a show of hands, to one vote and on a poll, to one vote for every such share of which he is the holder.

**A M PHILLIP TRUCKTECH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**18. SHARE CAPITAL** *(continued)*  
**Redemption**

The preference shares are due for redemption in blocks of £100,000 each on the 31st December each year, commencing on 31 December 2007 until 31 December 2016 at a redemption rate of £1 per share. If the company is prohibited from redeeming the preference shares remaining in issue on the due date for redemption, the company shall redeem those preference shares as soon as redemption becomes permissible. 100,000 preference shares were redeemed at 31 December 2012.

**19. CAPITAL REDEMPTION RESERVE**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Balance brought forward	500,000	—
Transfer from the Profit and Loss Account	100,000	500,000
	<u>600,000</u>	<u>500,000</u>

**20. PROFIT AND LOSS ACCOUNT**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Balance brought forward	1,063,112	1,204,963
Profit for the financial year	59,105	358,149
Transfer to capital redemption reserve	(100,000)	(500,000)
Balance carried forward	<u>1,022,217</u>	<u>1,063,112</u>

**21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	59,105	358,149
Opening shareholders' funds	1,572,362	1,214,213
Closing shareholders' funds	<u>1,631,467</u>	<u>1,572,362</u>

**22. ULTIMATE PARENT COMPANY**

The ultimate parent company is A.M. Phillip Limited, a company incorporated in Scotland.