

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2003

Company No. 1161351 (England and Wales)



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COMPANIES HOUSE 11/08/03

A.A. LOCK TRASPORT (HEADCORN) LIMITED

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A.A. LOCK TRANSPORT (HEADCORN) LIMITED**COMPANY INFORMATION**

| | |
|---------------------------|---|
| Directors | A.A. Lock Esq. Mrs V. Lock S.A. Haggerty Esq. |
| Secretary | Mrs B.J. Hyde |
| Registered Office | Threeways Depot, Headcorn, Kent, TN27 1XX. |
| Registered Auditors | Kemp, Carr, Brown and Co., Chartered Certified Accountants and Registered Auditors 37 Bank Street, Ashford, Kent, TN23 1DQ. |
| Bankers | National Westminster Bank Plc, 3 High Street, Maidstone, Kent, ME14 1XU. |
| Company Registered Number | 1161351 (England and Wales) |

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
DIRECTORS REPORT
FOR THE YEAR ENDED 31ST MARCH 2003

The directors present their annual report and the audited accounts for the year ended 31st March 2003.

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal Activity

The company's principal activity during the year was that of haulage and transport contractor.

Review of the Business and Future Developments

The company traded successfully, realising satisfactory operating profit of 7.14% of turnover.

The directors are of the opinion that the current year will maintain adequate returns and the company will continue to progress and benefit therefrom.

The directors consider the financial state of the company to be satisfactory.

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
DIRECTORS REPORT (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2003

Results and Dividend

The results for the year are set out in detail on page 5.

The directors do not recommend the payment of a dividend.

Directors and Directors' Interests

The directors who served throughout the year and the beneficial interests, in the shares of the company of those serving at the end of year were as follows:

| | <u>31st March 2003</u> | <u>31st March 2002</u> |
|------------------|-----------------------------------|-----------------------------------|
| Mr A.A. Lock | 1900 Ordinary Shares | 1900 |
| Mrs V. Lock | 100 Ordinary Shares | 100 |
| Mr S.A. Haggerty | NIL | NIL |

Auditors

In accordance with Section 386 of the Companies Act 1985, the auditors Messrs. Kemp, Carr, Brown and Co. are deemed to be reappointed.

On behalf of the Board



A.A. LOCK
 Managing Director

REPORT OF THE INDEPENDENT AUDITORS TO
A.A. LOCK TRANSPORT (HEADCORN) LIMITED

under section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 5 to 10 together with the accounts of A.A. Lock Transport (Headcorn) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st March 2003.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A (3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

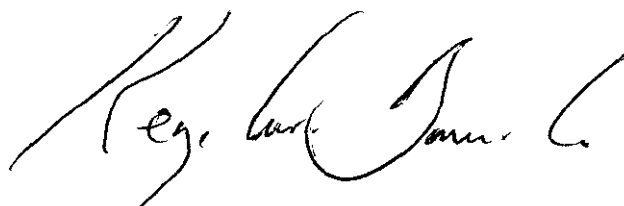
Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by the reference to the accounts that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985 and the abbreviated accounts on pages 5 to 10 have been properly prepared in accordance with that provision.

Kemp, Carr, Brown and Co.
Chartered Certified Accountants
Registered Auditors
37 Bank Street,
Ashford,
Kent,
TN23 1DQ.



8th August 2003

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2003

| | <u>Note</u> | <u>2003</u> £ | <u>2002</u> £ |
|--|-------------|------------------|------------------|
| Gross Profit | 11 | 392664 | 417655 |
| Administrative Expenses | | <u>(182778)</u> | <u>(181752)</u> |
| Operating Profit – continuing operations | 12 | 209886 | 235903 |
| Interest Received | | <u>65392</u> | <u>75471</u> |
| Profit on ordinary activities before taxation | | 275278 | 311374 |
| Tax on Profit on ordinary activities | | <u>(115031)</u> | <u>(63513)</u> |
| Profit for the financial year | | <u>160247</u> | <u>247861</u> |

There were no recognised gains or losses either in the current or preceding year other than those recorded in the profit and loss account.

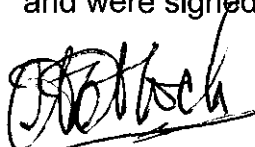
A.A. LOCK TRANSPORT (HEADCORN) LIMITED**BALANCE SHEET****AS AT 31ST MARCH 2003**

| | <u>2003</u> | <u>2002</u> |
|---|-------------------|----------------|
| | £ | £ |
| <u>Fixed Assets</u> | | |
| <u>Tangible Assets</u> | (Note 4) | |
| Buildings | 21693 | 25090 |
| Motor Vehicles | 371663 | 462991 |
| Plant and Equipment | 179895 | 202105 |
| Office Equipment | 1885 | 2218 |
| | <u>575136</u> | <u>692404</u> |
| <u>Current Assets</u> | | |
| Stock - Consumables | 68082 | 63040 |
| Debtors | (Note 5) 601578 | 559416 |
| Prepayments | 87318 | 74080 |
| Cash at Bank - Current Account | 302141 | 413389 |
| - Deposit Account | 732873 | 936525 |
| - Deposit Bond | 1544363 | 1025319 |
| Cash in Hand | 34 | 129 |
| | <u>3336389</u> | <u>3071898</u> |
| <u>Creditors: amounts falling due within one year</u> | | |
| Sundry Creditors | (Note 6) 239207 | 300908 |
| Corporation Tax – Payable on 1 st January 2004 | 62755 | 63513 |
| | <u>301962</u> | <u>364421</u> |
| <u>Net Current Assets</u> | <u>3034427</u> | <u>2707477</u> |
| <u>Total Assets less Current Liabilities</u> | 3609563 | 3399880 |
| Provision for liabilities and charges | | |
| Deferred Taxation | (Note 10) (49435) | - |
| <u>TOTAL NET ASSETS</u> | <u>3560128</u> | <u>3399880</u> |
| <u>Capital and Reserves</u> | | |
| Called up Share Capital | (Note 7) 2000 | 2000 |
| Profit and Loss Account | 3558128 | 3397880 |
| <u>SHAREHOLDERS FUNDS</u> | <u>3560128</u> | <u>3399880</u> |

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies.

These accounts were approved by the board of directors on 22nd June 2003 and were signed on its behalf by:

A.A. LOCK
Managing Director



The notes on pages 7 to 10 form part of these financial statements.

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2003

Note 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain land and buildings.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

Fixed Assets and Depreciation

Depreciation is provided on tangible fixed assets at annual rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:-

| | |
|---------------------|------------------------|
| Motor Vehicles |) 25% reducing balance |
| Office Equipment |) 15% reducing balance |
| Plant and Equipment |) 20% reducing balance |
| Buildings |) 6½% straight line |

Pension Costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS
(CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2003

Deferred Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing difference that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Stocks

Stock has been valued by the directors at the lower of cost or net realisable value and this basis has been consistently applied. The stocks are consumables and the cost is determined by applying the weighted average purchase price.

| | | | |
|----------------|-------------------------------|-------------|-------------|
| <u>Note 2.</u> | <u>Directors remuneration</u> | <u>2003</u> | <u>2002</u> |
| | | £ | £ |
| | Directors Emoluments | 34822 | 38014 |
| | Directors Benefits in Kind | <u>526</u> | <u>200</u> |

Note 3. Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

| | Number of Employees | |
|---|------------------------|-------------|
| | <u>2003</u> | <u>2002</u> |
| Production Drivers and other Operatives | 38 | 40 |
| Administration and Office | <u>4</u> | <u>4</u> |
| | <u>42</u> | <u>44</u> |

The aggregate payroll costs of these persons were as follows:

| | <u>2003</u> | <u>2002</u> |
|---------------------|----------------|----------------|
| | £ | £ |
| Wages and Salaries | 1146848 | 1081807 |
| Other pension costs | <u>16425</u> | <u>18424</u> |
| | <u>1163273</u> | <u>1100231</u> |

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS
(CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2003

Note 4. Tangible Fixed Assets

| <u>Motor Vehicles</u> | <u>Cost</u> | <u>Aggregate Depreciation</u> | <u>Written Down Value</u> |
|---|-------------------|-----------------------------------|-------------------------------|
| As at 31 st March 2002 | 1323406.00 | 860415.00 | 462991.00 |
| Less Disposals during year | (186100.00) | (172533.00) | (13567.00) |
| Additions during year | 36500.00 | | 36500.00 |
| Depreciation for the year at 25% p.a. D.B. | | 114261.00 | (114261.00) |
| <u>As at 31st March 2003</u> | <u>1173806.00</u> | <u>802143.00</u> | <u>371663.00</u> |
| <u>Plant and Equipment</u> | | | |
| As at 31 st March 2002 | 984748.16 | 782643.16 | 202105.00 |
| Less Disposals during year | (11790.00) | | (11790.00) |
| Additions during year | 34554.25 | | 34554.25 |
| Depreciation for the year at 20% p.a. D.B. | | 44974.25 | (44974.25) |
| <u>As at 31st March 2003</u> | <u>1007512.41</u> | <u>827617.41</u> | <u>179895.00</u> |
| <u>Office Equipment</u> | | | |
| As at 31 st March 2002 | 9130.17 | 6912.17 | 2218.00 |
| Depreciation for the year at 15% p.a. D.B. | | 333.00 | (333.00) |
| <u>As at 31st March 2003</u> | <u>9130.17</u> | <u>7245.17</u> | <u>1885.00</u> |
| <u>Buildings</u> | | | |
| As at 31 st March 2002 | 66608.98 | 41518.98 | 25090.00 |
| Depreciation for the year At 6½% p.a. S.L. | | 3397.00 | (3397.00) |
| <u>As at 31st March 2003</u> | <u>66608.98</u> | <u>44915.98</u> | <u>21693.00</u> |

Note 5. Debtors - due within one year

| | <u>2003</u> | <u>2002</u> |
|---------------------------|---------------|---------------|
| | £ | £ |
| Trade Debtors | 597326 | 559415 |
| Directors Current Account | <u>4252</u> | - |
| | <u>601578</u> | <u>559415</u> |

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS
(CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2003

| | | | |
|-----------------|---|------------------|------------------|
| <u>Note 6.</u> | <u>Sundry Creditors: amounts falling due within one year</u> | <u>2003</u> £ | <u>2002</u> £ |
| | Trade Creditors | 127590 | 183099 |
| | Directors' Current Account | - | 4584 |
| | Customs and Excise | 83840 | 77597 |
| | PAYE and National Insurance | <u>27777</u> | <u>35628</u> |
| | | <u>239207</u> | <u>300908</u> |
| <u>Note 7.</u> | <u>Called up Share Capital</u> | | |
| | <u>Authorised</u> | | |
| | Ordinary Shares of £1 each | <u>2000</u> | <u>2000</u> |
| | <u>Allotted</u> | | |
| | Called up and Fully Paid | <u>2000</u> | <u>2000</u> |
| <u>Note 8.</u> | <u>Capital Commitments</u> | | |
| | There was no capital expenditure either authorised or contracted for, at the year end (2002 Nil). | | |
| <u>Note 9.</u> | <u>Reconciliation of Movement in Shareholders Funds</u> | | |
| | Opening Shareholders funds at 1 st April 2002 | 3399880 | 3152020 |
| | Net Profit for the year | <u>160247</u> | <u>247860</u> |
| | <u>Closing Shareholders Funds at 31st March 2003</u> | <u>3560127</u> | <u>3399880</u> |
| <u>Note 10.</u> | <u>Deferred Taxation</u> | | |
| | Balancing at 1 st April 2002 | - | |
| | Charge for the year | <u>49435</u> | |
| | Balance at 31 st March 2003 | <u>49435</u> | |

The provision for deferred taxation is made up of accelerated capital allowances.

The company has applied the FRSSSE (effective June 2002) for the first time in these financial statements. As a result, the accounting policy for deferred taxation has been changed and full provision has been made for timing differences arising from accelerated capital allowances, as opposed to the partial provision basis previously used. The application of the new policy has not resulted in any material change to figures reported in previous financial statements and therefore no prior year adjustment has been made. The effect of the change in policy on the current years profit is not material.

A.A. LOCK TRANSPORT (HEADCORN) LIMITED
NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS
(CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2003

Note 11. Gross Profit

Gross Profit comprises turnover and other operating income, less cost of sales.

Note 12. Operating Profit

Operating profit is stated after charging.

| | <u>2003</u> £ | <u>2002</u> £ |
|---|------------------|------------------|
| Auditors remuneration Audit | 5850 | 5850 |
| Depreciation of tangible fixed assets: Owned | 170057 | 172060 |