

**McCorkell (Scotland) Limited**

**Annual report  
for the period ended 31 May 1993**

Registered no: SC 138730



# **McCorkell (Scotland) Limited**

## **Annual report for the period ended 31 May 1993**

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## **Directors and advisers**

### **Directors**

**J B E McCorkell**

**H F Murray**

**D J Hickey**

**A Mackay (from 1 June 1993)**

### **Secretary and registered office**

**K Dickson**  
Kintyre House  
209 West George Street  
Glasgow  
G2 2LW

### **Registered Auditors**

**Coopers & Lybrand**  
Kintyre House  
209 West George Street  
Glasgow  
G2 2LW

### **Solicitors**

**Anderson Strathern WS**  
48 Castle Street  
Edinburgh  
EH2 3LX

### **Bankers**

**Northern Bank Limited**  
Donegall Square West Branch  
Belfast  
Northern Ireland  
BT1 6LT

**Clydesdale Bank plc**  
33 Hairst Street  
Renfrew  
PA4 8QU

**Allied Irish Bank plc**  
1 - 3 Royal Exchange Square  
Glasgow  
G1 3AH

**Directors' report  
for the period ended 31 May 1993**

The directors present their report and the audited financial statements for the period ended 31 May 1993.

**Date of incorporation**

The company was incorporated on 10 June 1992.

**Principal activities**

The principal activity of the company is that of grain merchants and shippers.

**Review of business and future developments**

The directors consider the performance of the company during the period and its position at the period end to be satisfactory. The directors expect that the current year will reflect an increasing level of activity.

**Results**

The profit and loss account for the period is set out on page 5. The loss of £21,915 has been transferred to reserves.

**Changes in fixed assets**

The movements in fixed assets during the year are set out in note 9 to the financial statements.

**Directors**

The directors of the company during the period were as follows:

J B E McCorkell	Appointed 10 June 1992
H F Murray	Appointed 10 June 1992
D J Hickey	Appointed 30 July 1992

Mr A Mackay was appointed as a director on 1 June 1993.

**Directors' interests**

None of the directors who held office at 31 May 1993 had any interest in the shares of the company. The interests of the directors in the shares of the parent company are shown in that company's financial statements.

## Close company provisions

The company is a close company as defined by the provisions of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial period.

## Auditors

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

By order of the board



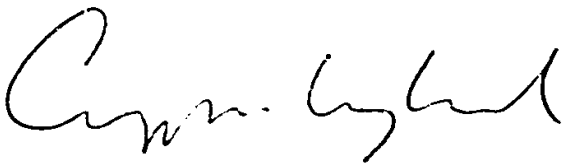
**K Dickson**  
**Secretary**  
Glasgow

25 November 1993

## **Report of the auditors to the members of McCorkell (Scotland) Limited**

We have audited the financial statements on pages 5 to 12 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 1993 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Coopers & Lybrand**

Chartered Accountants and Registered Auditors  
Glasgow

25 November 1993

**Profit and loss account  
for the period ended 31 May 1993**

	Notes	1993 £
Turnover	2	9,479,477
Net operating expenses:	3	(9,452,765)
		<hr/>
Operating profit		26,712
Interest payable and similar charges	6	(47,819)
Interest received		274
		<hr/>
Loss on ordinary activities before taxation	7	(20,833)
Taxation	8	(1,082)
		<hr/>
Loss for the period		<u>(21,915)</u>

## Balance sheet at 31 May 1993

	Notes	1993 £
<b>Fixed assets</b>		
Tangible assets	9	<u>191,732</u>
<b>Current assets</b>		
Stocks		678,559
Debtors	10	707,257
Cash at bank and in hand		<u>153,811</u>
		1,539,627
<b>Creditors: amounts falling due within one year</b>	11	<u>1,207,550</u>
<b>Net current assets</b>		<u>332,077</u>
<b>Total assets less current liabilities</b>		<u>523,809</u>
<b>Creditors: amounts falling due after more than one year</b>	12	40,456
<b>Provisions for liabilities and charges</b>	13	<u>5,268</u>
		<u>45,724</u>
<b>Net assets</b>		<u><u>478,085</u></u>
<b>Capital and reserves</b>		
Called up share capital	14	500,000
Profit and loss account		<u>(21,915)</u>
		<u><u>478,085</u></u>

The financial statements on pages 5 to 12 were approved by the board of directors on 25 November 1993 and were signed on its behalf by:



J B E McCorkell  
Director

## **Notes to the financial statements for the period ended 31 May 1993**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

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

#### **Depreciation**

Depreciation on fixed assets is calculated so as to write off the cost of tangible fixed assets less their estimated residual values over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Plant and machinery	25%
Motor vehicles	25%
Fittings and office equipment	25%

#### **Stocks**

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

#### **Turnover**

Turnover, which excludes valued added tax, represents the invoiced value of goods and services supplied.

#### **Deferred taxation**

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

#### **Finance and operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account. Transactions denominated in foreign currencies are translated into sterling at actual exchange rates as at the date of the transaction.

**Cash flow statement**

The cash flows of the company are included in the consolidated cash flow statement in the financial statements of the ultimate holding company. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

**2 Turnover**

Turnover consists entirely of sales made within Europe.

**3 Net operating expenses**

	1993 £
Stock movement	(678,559)
Purchases of goods for resale	9,825,585
Staff costs (note 5)	116,715
Depreciation	44,246
Other operating expenses	144,778
	<u>9,452,765</u>

**4 Directors' emoluments**

The remuneration paid to the directors was:

	1993 £
Fees	<u>22,500</u>

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

	1993 £
The highest-paid director	<u>22,500</u>

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

	1993 Number
0 to £10,000	2
£20,001 to £25,000	1

## 5 Employee information

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

	1993 Number
Despatch/Warehouse	1
Administration	3
	<hr/>
	4
	<hr/>

	1993 £
Staff costs (for the above persons)	105,781
Wages and salaries	10,934
Social security costs	<hr/>
	116,715
	<hr/>

## 6 Interest payable and similar charges

	1993 £
On bank loans and overdrafts:	
Repayable within 5 years, not by instalments	44,176
On finance leases and hire purchase contracts	3,643
	<hr/>
	47,819
	<hr/>

## 7 Loss on ordinary activities before taxation

	1993 £
Loss on ordinary activities before taxation is stated after charging:	
Depreciation of owned tangible fixed assets	27,137
Depreciation of tangible fixed assets held under finance leases	17,109
Auditors' remuneration	5,300
	<hr/>

Remuneration of the company's auditors for the provision of non-audit services to the company in the period was £11,160.

## 8 Taxation

	1993 £
United Kingdom corporation tax at 33%	
Current	(4,186)
Deferred	5,268
	<u>1,082</u>

## 9 Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fittings & office equipment £	Total £
Cost				
At 10 June 1992	-	-	-	-
Additions	169,365	37,302	29,311	235,978
	<u>169,365</u>	<u>37,302</u>	<u>29,311</u>	<u>235,978</u>
At 31 May 1993				
	<u>169,365</u>	<u>37,302</u>	<u>29,311</u>	<u>235,978</u>
Depreciation				
At 10 June 1992	-	-	-	-
Charge for the period	31,756	6,994	5,496	44,246
	<u>31,756</u>	<u>6,994</u>	<u>5,496</u>	<u>44,246</u>
At 31 May 1993				
	<u>31,756</u>	<u>6,994</u>	<u>5,496</u>	<u>44,246</u>
Net book value				
At 31 May 1993	<u>137,609</u>	<u>30,308</u>	<u>23,815</u>	<u>191,732</u>

Net book value of tangible fixed assets includes an amount of £74,136 in respect of assets held under finance leases and hire purchase contracts.

## 10 Debtors

	1993 £
Amounts falling due within one year:	
Trade debtors	491,659
Amounts owed by group companies	153,305
Other debtors	60,292
Prepayments and accrued income	2,001
	<u>707,257</u>

## 11 Creditors: amounts falling due within one year

	1993 £
Bank loans and overdrafts	792,910
Obligations under finance leases and hire purchase contracts	23,682
Trade creditors	69,677
Amounts owed to group companies	250,059
Accruals and deferred income	68,119
Other taxation and social security	3,103
	<u>1,207,550</u>

The bank loans and overdrafts are secured by a floating charge over the assets of the company and the assignment of a life insurance policy in the name of J B E McCorkell.

### Bank overdraft

The bank overdraft is repayable as follows:

	1993 £
In one year or less or on demand	<u>792,910</u>

### Finance leases

Obligations under finance leases and hire purchase contracts are repayable as follows:

	1993 £
In one year or less	23,682
Between two and five years	40,456
	<u>64,138</u>

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

	1993 £
Obligation under finance leases and hire purchase contracts	<u>40,456</u>

## 13 Provisions for liabilities and charges

Deferred taxation provided in the financial statements, and the amount unprovided of the total potential liability, are as follows:

	Amount provided 1993 £	Amount unprovided 1993 £
Tax effect of timing differences because of:		
Excess of capital allowances over depreciation	5,178	-
Other	90	-
	<u>5,268</u>	<u>-</u>

## 14 Called-up share capital

	1993 £
Authorised 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>
Aliotted, called-up and fully paid 500,000 ordinary shares of £1 each	<u>500,000</u>

## 15 Capital commitments

There were no capital commitments as at 31 May 1993.

## 16 Contingent liabilities

Forward contracts outstanding at the year-end totalled £175,400.

## 17 Ultimate holding company

The ultimate holding company is McCorkell Holdings Limited, a company incorporated in Northern Ireland. Copies of the consolidated financial statements are available from Murray House, New Forge Lane, Belfast.

**Detailed profit and loss account  
for the period ended 31 May 1993**

	1993 £
Sales	<u>9,479,477</u>
Less:	-
Opening stock	9,825,585
Purchases	<u>9,825,585</u>
	678,559
Less: closing stock	<u>9,147,026</u>
Cost of sales	<u>9,147,026</u>
Gross profit	332,451
Overheads (see overleaf)	(305,739)
Bank interest payable	(37,273)
Bank interest receivable	274
Bank charges	(6,903)
Other interest - payable	(3,643)
	<u>(20,833)</u>
Loss on ordinary activities before taxation	(1,082)
Taxation	<u>(21,915)</u>
Loss on ordinary activities after taxation	<u><u>(21,915)</u></u>

Pages 13 and 14 do not form part of the audited accounts.

**Detailed profit and loss account  
for the period ended 31 May 1993 (continued)**

	1993 £
<b>Overheads</b>	
Salaries and wages	116,715
Audit and accountancy	16,460
Heat, light and power	4,532
Travelling	7,683
Entertaining	5,392
Corporate services	7,830
Communications	14,568
Trade subscriptions	264
Stationery and postage	7,288
Life Assurance	461
Insurance	1,983
Rent and rates	34,315
Upkeep and repairs	16,846
Car expenses	3,558
Hire of equipment	243
General expenses	2,969
Depreciation:	
Plant and machinery	31,756
Office equipment and fittings	5,496
Motor vehicles	6,994
Computer support	3,139
Formation expenses	16,107
Cleaning	1,140
	<hr/>
	305,739
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