

**Wilson Logistics UK Limited**

**(Registered Number: 621547)**

**Annual Report**

**For The Year Ended 31 December 2000**



# **Wilson Logistics UK Limited**

## **Annual Report For The Year Ended 31 December 2000**

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# **Wilson Logistics UK Limited**

## **Directors And Advisors For The Year Ended 31 December 2000**

### **Directors**

J A Simpson  
H A Von Sydow  
J B Gerdrup  
B M Wyeth  
M Carr  
O E Rohmann

### **Registered Office**

Units 5 & 6  
Parkway Trading Estate  
Cranford  
Hounslow  
Middlesex  
TW5 9QA

### **Auditors**

PricewaterhouseCoopers  
Harman House  
1 George Street  
Uxbridge  
UB8 1QQ

### **Bankers**

Skandinaviska Enskilda Banken  
2 Cannon Street  
London  
EC4M 6XX

# **Wilson Logistics UK Limited**

## **Directors' Report For The Year Ended 31 December 2000**

The directors present their report and the audited financial statements for the year ended 31 December 2000.

### **Principal Activity**

The principal activity of the company is international freight forwarding by land, sea and air.

### **Review Of Business And Future Developments**

The company grew its business on all fronts during the year with imports from the Far East again proving particularly strong.

The company continues to develop its trading links within the Wilson Logistics Group and is benefiting from a more focused sales effort.

A review of operations has made the company more efficient and reduced its fixed costs. The trading result continues to improve. The Directors expect further strengthening of the Company during the coming year.

The profit and loss account for the year is set out on page 5.

### **Directors And Directors' Interests**

The following directors held office during the year under review:

J A Simpson  
H A Von Sydow  
J B Gerdrup  
B M Wyeth  
M Carr  
O E Rohmann (appointed 1 May 2000)

No director held any interest in the shares at 31 December 2000 or at any time during the year.

### **Dividends And Transfers To Reserves**

The directors are unable to recommend the payment of a dividend. The loss for the year of £2,310,000 (1999: £1,956,000) will be added to the accumulated deficit.

# **Wilson Logistics UK Limited**

## **Directors Report**

**For The Year Ended 31 December 2000** (Continued)

### **Creditors Payment Policy**

The company policy is to pay creditors according to the terms stipulated by the supplier. Individual supplier terms may vary, with haulage and shipping suppliers typically requiring fourteen day settlement. Normal trade creditors and airlines typically extend thirty days credit. Payment is made against approved supplier invoices only and must be supported by supplier statement or similar payment request.

The number of creditor days in relation to trade creditors outstanding at the end of the year was 70 days (1999:79 days)

### **Statement Of Directors' Responsibilities**

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### **Auditors**

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

**By order of the board**



**Brian Wyeth**  
Director

25 May 2001

# **Wilson Logistics UK Limited**

## **Auditors' report to the members of Wilson Logistics UK Limited**

We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 7 and 8.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the annual report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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. We also report to you if, in our opinion, the directors' 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 directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

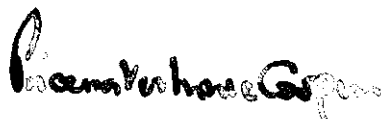
### **Basis of audit opinion**

We conducted our audit in accordance with 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 affairs of the company at 31 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
**Chartered Accountants and Registered Auditors**  
**West London**

*3. 1. 2001* 2001

## **Wilson Logistics UK Limited**

### **Profit And Loss Account For The Year Ended 31 December 2000**

	<i>Note</i>	<b>2000 £000</b>	<b>1999 £000</b>
<b>Turnover</b>	3	29,042	24,862
Cost of sales		(23,815)	(20,410)
<b>Gross profit</b>		5,227	4,452
Net Operating expenses	4	(6,293)	(5,561)
Exceptional operating cost	5	(960)	(768)
<b>Operating loss</b>		(2,026)	(1,877)
Interest receivable and similar income		3	17
Interest payable and similar charges	8	(287)	(96)
<b>Loss on ordinary activities before taxation</b>	9	(2,310)	(1,956)
Tax on loss on ordinary activities	10	-	-
<b>Loss for the year</b>	15	(2,310)	(1,956)

The company has no recognised gains or losses other than the loss above and therefore no separate statement of total recognised losses has been prepared.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above, and their historical cost equivalents.

All operations are continuing.

# Wilson Logistics UK Limited

## Balance Sheet At 31 December 2000

	<i>Note</i>	<b>2000 £000</b>	<b>1999 £000</b>
<b>Fixed assets</b>			
Intangible assets	23	37	-
Tangible assets	11	606	667
Investments	22	-	1
		643	668
<b>Current assets</b>			
Debtors	12	7,166	9,370
Cash at bank and in hand		62	1,400
		7,228	10,770
<b>Creditors - amounts falling due within one year</b>	13	(6,620)	(12,377)
<b>Net current assets/(liabilities)</b>		608	(1,607)
<b>Net assets/(liabilities)</b>		1,251	(939)
<b>Capital and reserves</b>			
Called up share capital	14	4,700	4,700
Other Reserves	15	4,500	-
Profit and loss account	15	(7,949)	(5,639)
<b>Equity shareholders' funds</b>	15	1,251	(939)

Approved by the Board on



Brian M Wyeth  
Director

25 May 2001

The notes on pages 7 to 15 form part of these accounts.



# **Wilson Logistics UK Limited**

## **Notes To The Financial Statements For The Year Ended 31 December 2000**

### **1 Basis Of Preparation Of Financial Statements**

The company has received assurances from Wilson Logistics Holding AB, the ultimate holding company, that sufficient funds will be made available to meet the company's requirements for twelve months from the date of these accounts. Accordingly, these financial statements have been prepared on a going concern basis.

### **2 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.

#### **(1) Basis Of Accounting**

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

#### **(2) Cash Flow Statement**

A cash flow statement has not been prepared since the company, being a wholly owned subsidiary undertaking of the ultimate parent Wilson Logistics Holding AB, which publishes consolidated financial statements including this company, is exempt from doing so by Financial Reporting Standard No.1.

#### **(3) Purchased Goodwill**

Purchased goodwill is amortised to the realised profit and loss reserve over its estimated useful economic life which does not exceed twenty years.

#### **(4) Tangible Fixed Assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided on the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over their estimated useful economic lives as follows:

	<b>Years</b>
Fixtures, fittings and equipment	3 - 5
Motor vehicles	5

Leasehold improvements are amortised over 50 years or, if shorter, the period of the lease.

# **Wilson Logistics UK Limited**

## **Notes To The Financial Statements For The Year Ended 31 December 2000 (Continued)**

### **(5) 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.

### **(6) Turnover**

Turnover, which excludes value added tax and duty, represents the invoiced value in respect of freight forwarding services provided.

### **(7) Deferred Taxation**

Deferred taxation is calculated using the liability method on the excess of taxation allowances over depreciation charged on qualifying fixed assets and on other short-term timing differences to the extent to which they are expected to reverse in the foreseeable future.

### **(8) Pension Scheme Arrangements**

The company contributes to a defined contribution pension scheme. Contribution by both employees and the company are made to the pension fund. Employer's contributions to the schemes are charged to the profit and loss account in the period in which they become payable.

The company provides no other post retirement benefits to its employees.

### **(9) Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rate ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction and exchange gains or losses arising on transaction are reported as part of the operating results for the year.

## **3 Turnover**

Turnover by geographical area is analysed below:

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
United Kingdom	23,017	20,687
Rest of Europe	1,423	1,203
Other	4,602	2,972
	<b>29,042</b>	<b>24,862</b>

# Wilson Logistics UK Limited

## Notes To The Financial Statements For The Year Ended 31 December 2000 (Continued)

### 4 Operating Expenses

	2000 £000	1999 £000
Distribution costs	3,338	2,956
Administrative expenses	2,955	2,605
	6,293	5,561

### 5 Exceptional Operating Cost

	2000 £000	1999 £000
Exceptional operating cost	(960)	(768)

During the year as part of a group reorganisation the company settled intercompany balances on behalf of its fellow subsidiaries. In the opinion of the directors these amounts are not recoverable.

### 6 Directors' Emoluments

	2000 £000	1999 £000
Aggregate emoluments (including benefits in kind)	191	179
Contributions to money purchase schemes	19	19
	210	198

	2000	1999
Number of directors who are members of a money purchase pension scheme	3	3

Emoluments include amounts paid to:

	2000 £000	1999 £000
The highest paid director:		
Emoluments	74	68
Contributions under money purchase schemes	9	9
	83	77

## **Wilson Logistics UK Limited**

### **Notes To The Financial Statements For The Year Ended 31 December 2000 (Continued)**

#### **7 Employee Information**

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	3,065	2,868
Social security costs	350	296
Other pension costs (see note 16)	113	125
	<b>3,528</b>	<b>3,289</b>

The average weekly number of persons employed by the company, excluding directors during the period was 143 (1999: 148).

#### **8 Interest Payable And Similar Charges**

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
Bank interest	287	96

#### **9 Loss On Ordinary Activities Before Taxation**

Loss on ordinary activities before taxation is stated after charging/(crediting):

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
Depreciation		
- owned tangible assets	287	257
Auditors' remuneration for:		
- audit	25	25
- other services	47	34
Operating leases		
- hire of plant and machinery	70	50
- hire of motor vehicles and other assets	216	182
- hire of land and building	488	472
Amortisation of goodwill	17	-
(Profit)/loss on disposal of fixed assets	(2)	8

# Wilson Logistics UK Limited

## Notes To The Financial Statements

For The Year Ended 31 December 2000 (Continued)

### 10 Tax On Loss On Ordinary Activities

There is no tax charge for the year (1999: £Nil) due to the loss for the period for which no deferred tax asset is recognised.

### 11 Tangible Fixed Assets

	Short Leasehold Properties £000	Fixtures Fittings & Equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>				
At 1 January 2000	492	1,289	74	1,855
Additions	74	152	-	226
Disposals	(27)	(6)	(34)	(67)
<b>At 31 December 2000</b>	<b>539</b>	<b>1,435</b>	<b>40</b>	<b>2,014</b>
<b>Depreciation</b>				
At 1 January 2000	218	905	64	1,187
Charge for period	57	227	3	287
Disposals	(27)	(6)	(33)	(66)
<b>At 31 December 2000</b>	<b>248</b>	<b>1,126</b>	<b>34</b>	<b>1,408</b>
<b>Net book value</b>				
<b>At 31 December 2000</b>	<b>291</b>	<b>309</b>	<b>6</b>	<b>606</b>
At 31 December 1999	274	384	10	668

# Wilson Logistics UK Limited

## Notes To The Financial Statements For The Year Ended 31 December 2000 (Continued)

### 12 Debtors

	2000 £000	1999 £000
Trade debtors	5,772	7,611
Amounts owed by group companies	1,087	1,520
Other debtors	105	98
Prepayment and accrued income	202	141
Corporation tax	-	-
	<u>7,166</u>	<u>9,370</u>

### 13 Creditors: Amounts Falling Due Within One Year

	2000 £000	1999 £000
Bank loans and overdrafts	821	-
Trade creditors	1,693	4,421
Amount owing to group companies	1,115	5,803
Taxation and social security	131	100
Other creditors	112	293
Accruals and deferred income	2,748	1,759
	<u>6,620</u>	<u>12,376</u>

### 14 Called Up Share Capital

	2000 £000	1999 £000
<b>Authorised</b>		
4,700,000 ordinary shares of £1 each	4,700	4,700
4,700,000 ordinary shares of £1 each	<u>4,700</u>	<u>4,700</u>

### 15 Reserves and Reconciliation of Movements In Shareholders' Funds

	Share Capital £000	Other Reserves £000	Profit and Losses £000	Shareholders Fund Total £000
At 1 January 2000	4,700	-	(5,639)	(939)
Loss for the year			(2,310)	(2,310)
Capital contribution *		4,500	-	4,500
At 31 December 2000	<u>4,700</u>	<u>4,500</u>	<u>(7,949)</u>	<u>1,251</u>

\* The capital contribution represents an amount received from the parent company which is not repayable.

## **Wilson Logistics UK Limited**

### **Notes To The Financial Statements**

**For The Year Ended 31 December 2000** (Continued)

#### **16 Pension Scheme**

The company operates a Money Purchase pension scheme. The assets of the scheme are held and administered by The Standard Life Assurance Company. The total pension cost charge represents contributions payable by the company to the scheme and in the year amounted to £113,334 (1999: £125,231). No amounts were accrued at the year end (1999:£Nil).

#### **17 Financial Commitments**

At 31 December 2000, the company had annual commitments under non-cancellable operating leases as follows:

	<u>31 December 2000</u>		<u>31 December 1999</u>	
	<u>Land and Buildings</u>	<u>Other</u>	<u>Land and Buildings</u>	<u>Other</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Expiring within one year	6	119	158	17
Expiring between two and five years inclusive	80	120	38	229
Expiring in over five years	445	-	340	-
	<u>531</u>	<u>239</u>	<u>536</u>	<u>246</u>

#### **18 Contingent Liabilities**

The company has given certain indemnities in respect of customs and freight dues totalling £10,000 (1999: £2,620,000).

#### **19 Acquisitions**

On 1 January 2000 Wilson Logistics UK Limited acquired the shares of Interloc International Limited and all the assets and liabilities at book value.

#### **20 Ultimate And Immediate Parent Companies**

The immediate and ultimate parent undertaking is Wilson Logistics Holding AB of Sweden. Wilson Logistics UK Limited is consolidated into the group accounts of Wilson Logistics Holding AB which may be obtained from Sodra Hamngatan 19-21, F-411 14 Goteburg, Sweden.

## **Wilson Logistics UK Limited**

### **Notes To The Financial Statements**

**For The Year Ended 31 December 2000** (Continued)

#### **21 Related Party Transactions**

The company has taken advantage of the exemption provided in FRS 8 for subsidiary undertakings, 90% or more of which voting rights are controlled within the group.

Accordingly, transactions with group companies are not disclosed in detail.

#### **22 Investments**

	£
Cost at 1 January 2000	1,261
Additions in the year	2
Provision in the year	(1,260)
<b>Cost and Net book value at 31 December 2000</b>	<b>3</b>

The investment in Albany Freight International Ltd was provided against as the company was dissolved on 9<sup>th</sup> January 2001.

The above investments relate to the following entities:

<b>Entity</b>	<b>Holding</b>	<b>Activity</b>
Combined Logistics (UK) Limited	100%	Freight Forwarding
Interloc International Limited	100%	Dormant



## **Wilson Logistics UK Limited**

### **Notes To The Financial Statements For The Year Ended 31 December 2000 (Continued)**

#### **23 Goodwill**

	<b>2000 £000</b>	<b>1999 £000</b>
<b>Cost</b>		
At 1 January 2000	-	-
Additions	54	-
<b>At 31 December 2000</b>	<b>54</b>	<b>-</b>
<b>Amortisation</b>		
At 1 January 2000	-	-
Amortised in year	17	-
<b>At 31 December 2000</b>	<b>17</b>	<b>-</b>
<b>Net book value</b>		
<b>At 31 December 2000</b>	<b>37</b>	<b>-</b>
<b>At 1 January 2000</b>	<b>-</b>	<b>-</b>

Goodwill arising from the purchase of two businesses for a consideration of £60,000, including the purchase of tangible assets at a fair value of £6,000.