

Registration number: 01799172

Unitruc Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2021

THURSDAY



AAJXG0XL

A37

23/12/2021

#72

COMPANIES HOUSE

Unitruc Limited

Contents

Company Information	1
Strategic Report	2
Directors' Report	3 to 5
Statement of Directors' Responsibilities	4
Independent Auditor's Report	6 to 11
Consolidated Profit and Loss Account	12
Consolidated Statement of Comprehensive Income	13
Consolidated Balance Sheet	14
Balance Sheet	15
Consolidated Statement of Changes in Equity	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 to 37

Unitruc Limited

Company Information

Directors	Mr R Horsfall Mr Alexander Richard Horsfall
Registered office	10 Towerfield Road Shoeburyness Essex SS3 9QE
Auditors	Insight Strategic Associates Limited Chartered Certified Accountants and Statutory Auditors 10 Towerfield Road Shoeburyness Essex SS3 9QE

Unitruc Limited

Strategic Report for the Year Ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

Principal activity

The principal activity of the company is European logistics, freight and container transport

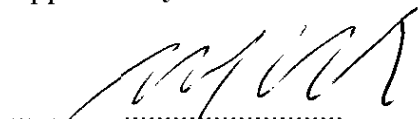
Fair review of the business

There have been many challenges this year that have affected us, and the transport industry as a whole; including a national driver shortage and a considerable increase in fuel prices. Additionally, sourcing new equipment has proven difficult, due to supply chain constraints and longer lead-times caused by the pandemic. Due to increasing costs, we have had to increase our rates which, overall, our customers have been supportive of. After navigating many obstacles this year and still maintaining a successful position, we feel optimistic about the year ahead.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Turnover	£	11,711,850	11,867,304
Gross Profit Margin	%	14	14
Net Profit Margin	%	3	1

Approved by the Board on 21 December 2021 and signed on its behalf by:



Mr R Horsfall
Director

Unitruc Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the for the year ended 31 March 2021.

Directors of the group

The directors who held office during the year were as follows:

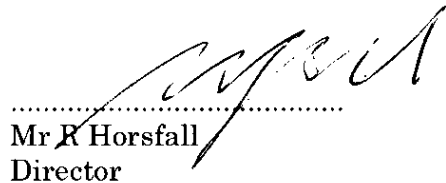
Mr R Horsfall

Mr Alexander Richard Horsfall

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Insight Strategic Associates Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 21 December 2021 and signed on its behalf by:



.....
Mr R Horsfall
Director

Unitruc Limited

Directors' Report for the Year Ended 31 March 2021

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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; and
- 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.

Unitruc Limited

Directors' Report for the Year Ended 31 March 2021

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Opinion

We have audited the financial statements of Unitruc Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2021 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those relating to material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transaction reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of our audit planning procedures, we determined materiality and assessed the risks of how material misstatement in the financial statements may occur. We inquired with management of how they considered the risk of material misstatement within the financial statements.

In particular, we looked at areas where management made subjective judgements in respect of significant accounting estimates that involve making assumptions and considering future events that are inherently uncertain. This includes the value of stock and accrued income. We discussed this issue during planning meetings and carried out audit procedures to satisfy ourselves that the risk of material misstatement of the accounting estimate whether by fraud or error was minimal.

We considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. We also considered the risk of management override in relation to these controls and discussed this with management. We tested journal entries throughout the audit, this included those posted during the year and those posted at the year end.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk including fraud risk of non compliance with these these laws and regulations that could give rise to material misstatement in the financial statements. The company does not operate in a highly regulated environment so these were mainly but not limited to the Financial Reporting Standard 102, Companies Act 2006 and UK COVID 19 government support schemes.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence from relevant information, for example, minutes of meetings held and furlough claims with HMRC. Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Unitruc Limited

Independent Auditor's Report to the Members of Unitruc Limited

Use of our report

This report is made solely to the company's members, 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 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.



Justin Paul Baptie FCCA (Senior Statutory Auditor)

For and on behalf of Insight Strategic Associates Limited, Statutory Auditor

10 Towerfield Road
Shoeburyness
Essex
SS3 9QE

21 December 2021

Unitruc Limited

Consolidated Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	3	11,711,850	11,867,304
Cost of sales		<u>(10,017,862)</u>	<u>(10,244,274)</u>
Gross profit		1,693,988	1,623,030
Administrative expenses		(1,326,646)	(1,481,024)
Other operating income	4	<u>204,748</u>	<u>-</u>
Operating profit	6	<u>572,090</u>	<u>142,006</u>
Other interest receivable and similar income		-	78
Interest payable and similar expenses	7	<u>(81,964)</u>	<u>(76,342)</u>
		<u>(81,964)</u>	<u>(76,264)</u>
Profit before tax		490,126	65,742
Tax on profit	11	<u>(97,096)</u>	<u>(6,638)</u>
Profit for the financial year		<u>393,030</u>	<u>59,104</u>
Profit/(loss) attributable to: Owners of the company		<u>393,030</u>	<u>59,104</u>

The group has no recognised gains or losses for the year other than the results above.

The notes on pages 19 to 37 form an integral part of these financial statements.
Page 12

Unitruc Limited

**Consolidated Statement of Comprehensive Income for the Year Ended 31
March 2021**

	2021 £	2020 £
Profit for the year	<u>393,030</u>	<u>59,104</u>
Total comprehensive income for the year	<u>393,030</u>	<u>59,104</u>
Total comprehensive income attributable to: Owners of the company	<u>393,030</u>	<u>59,104</u>

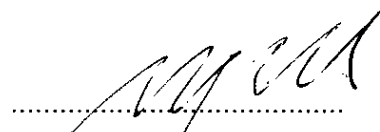
The notes on pages 19 to 37 form an integral part of these financial statements.

Unitruc Limited

(Registration number: 01799172)
Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	5,312,380	5,020,588
Current assets			
Stocks	14	70,000	71,000
Debtors	15	2,878,910	2,875,198
Cash at bank and in hand		<u>45,947</u>	<u>25,073</u>
		2,994,857	2,971,271
Creditors: Amounts falling due within one year	17	<u>(2,962,989)</u>	<u>(3,247,883)</u>
Net current assets/(liabilities)		<u>31,868</u>	<u>(276,612)</u>
Total assets less current liabilities		5,344,248	4,743,976
Creditors: Amounts falling due after more than one year	17	(1,897,162)	(1,787,015)
Provisions for liabilities	18	<u>(593,613)</u>	<u>(496,518)</u>
Net assets		<u>2,853,473</u>	<u>2,460,443</u>
Capital and reserves			
Called up share capital	20	10,000	10,000
Profit and loss account		<u>2,843,473</u>	<u>2,450,443</u>
Equity attributable to owners of the company		<u>2,853,473</u>	<u>2,460,443</u>
Shareholders' funds		<u>2,853,473</u>	<u>2,460,443</u>

Approved and authorised by the Board on 21 December 2021 and signed on its behalf by:


.....
Mr R Horsfall
Director

The notes on pages 19 to 37 form an integral part of these financial statements.

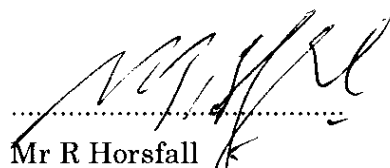
Unitruc Limited

(Registration number: 01799172)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	2,760,678	2,857,770
Investments	13	<u>5,015,225</u>	<u>5,015,225</u>
		<u>7,775,903</u>	<u>7,872,995</u>
Current assets			
Stocks	14	51,000	43,000
Debtors	15	2,237,506	2,299,199
Cash at bank and in hand		<u>5,639</u>	<u>2,922</u>
		2,294,145	2,345,121
Creditors: Amounts falling due within one year	17	<u>(5,405,129)</u>	<u>(5,721,588)</u>
Net current liabilities		<u>(3,110,984)</u>	<u>(3,376,467)</u>
Total assets less current liabilities		4,664,919	4,496,528
Creditors: Amounts falling due after more than one year	17	(574,995)	(639,878)
Provisions for liabilities	18	<u>(440,933)</u>	<u>(396,611)</u>
Net assets		<u>3,648,991</u>	<u>3,460,039</u>
Capital and reserves			
Called up share capital	20	10,000	10,000
Profit and loss account		<u>3,638,991</u>	<u>3,450,039</u>
Shareholders' funds		<u>3,648,991</u>	<u>3,460,039</u>

The company made a profit after tax for the financial year of £188,952 (2020 - profit of £87,368).

Approved and authorised by the Board on 21 December 2021 and signed on its behalf by:



Mr R Horsfall
Director

The notes on pages 19 to 37 form an integral part of these financial statements.

Unitruc Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2021

Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2020	10,000	2,450,443	2,460,443	2,460,443
Profit for the year	-	393,030	393,030	393,030
Total comprehensive income	-	393,030	393,030	393,030
At 31 March 2021	10,000	2,843,473	2,853,473	2,853,473
	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2019	10,000	2,391,339	2,401,339	2,401,339
Profit for the year	-	59,104	59,104	59,104
Total comprehensive income	-	59,104	59,104	59,104
At 31 March 2020	10,000	2,450,443	2,460,443	2,460,443

The notes on pages 19 to 37 form an integral part of these financial statements.

Unitruc Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £	Profit and loss account £	Total £
At 1 April 2020	10,000	3,450,039	3,460,039
Profit for the year	-	188,952	188,952
Total comprehensive income	-	188,952	188,952
At 31 March 2021	10,000	3,638,991	3,648,991
	Share capital £	Profit and loss account £	Total £
At 1 April 2019	10,000	3,362,671	3,372,671
Profit for the year	-	87,368	87,368
Total comprehensive income	-	87,368	87,368
At 31 March 2020	10,000	3,450,039	3,460,039

The notes on pages 19 to 37 form an integral part of these financial statements.

Unitruc Limited

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the year		188,952	87,368
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	314,611	319,633
Loss on disposal of tangible assets	5	217,183	136,886
Finance costs		40,016	40,502
Income tax expense	11	<u>44,323</u>	<u>(22,207)</u>
		805,085	562,182
Working capital adjustments			
Increase in stocks	14	(8,000)	-
Decrease in trade debtors	15	61,693	175,162
Increase/(decrease) in trade creditors	17	<u>179,273</u>	<u>(121,510)</u>
Net cash flow from operating activities		<u>1,038,051</u>	<u>615,834</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(598,814)	(512,273)
Proceeds from sale of tangible assets		<u>164,111</u>	<u>211,577</u>
Net cash flows from investing activities		<u>(434,703)</u>	<u>(300,696)</u>
Cash flows from financing activities			
Interest paid		(40,016)	(40,502)
Proceeds from bank borrowing draw downs		(10,192)	(17,451)
Payments to finance lease creditors		<u>(107,509)</u>	<u>(144,135)</u>
Net cash flows from financing activities		<u>(157,717)</u>	<u>(202,088)</u>
Net increase in cash and cash equivalents		445,631	113,050
Cash and cash equivalents at 1 April		<u>(1,199,580)</u>	<u>(1,312,631)</u>
Cash and cash equivalents at 31 March		<u>(753,949)</u>	<u>(1,199,581)</u>

The notes on pages 19 to 37 form an integral part of these financial statements.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

10 Towerfield Road

Shoeburyness

Essex

SS3 9QE

England

The principal place of business is:

Fleet House

Vanguard Way

Shoeburyness

Essex

SS3 9QY

England

These financial statements were authorised for issue by the Board on 21 December 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2021.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Machinery	10% & 15% on reducing balance
Motor Vehicles	25% on reducing balance
Fixtures and fittings	15% on reducing balance
Land & Buildings	2% on cost

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Sale of goods	<u>11,711,850</u>	<u>11,867,304</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2021 £	2020 £
Government grants	<u>204,748</u>	<u>-</u>

5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2021 £	2020 £
Gain (loss) on disposal of property, plant and equipment	<u>(217,183)</u>	<u>(136,886)</u>

6 Operating profit

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	490,474	449,091
Operating lease expense - plant and machinery	10,385	5,976
Loss on disposal of property, plant and equipment	<u>217,183</u>	<u>136,886</u>

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and borrowings	31,151	33,282
Interest on obligations under finance leases and hire purchase contracts	50,405	43,060
Interest expense on other finance liabilities	408	-
	<u>81,964</u>	<u>76,342</u>

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	3,506,131	3,518,730
Social security costs	344,181	347,192
Other short-term employee benefits	18,909	23,338
Pension costs, defined contribution scheme	75,791	67,987
Other employee expense	5,555	15,352
	<u>3,950,567</u>	<u>3,972,599</u>

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

	2021	2020
	No.	No.
Sales, marketing and distribution	157	118
Other departments	3	4
	<u>160</u>	<u>122</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

9 Directors' remuneration (continued)

	2021 £	2020 £
Remuneration	94,608	197,211
Contributions paid to money purchase schemes	<u>15,976</u>	<u>13,356</u>
	<u>110,584</u>	<u>210,567</u>

10 Auditors' remuneration

	2021 £	2020 £
Audit of these financial statements	<u>16,000</u>	<u>16,000</u>

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

11 Taxation

Tax charged/(credited) in the income statement

2021	2020
£	£

Deferred taxation

Arising from origination and reversal of timing differences

<u>97,096</u>	<u>6,638</u>
---------------	--------------

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2020 - the same as the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

2021	2020
£	£

Profit before tax

<u>490,126</u>	<u>65,742</u>
----------------	---------------

Corporation tax at standard rate

93,124	12,491
--------	--------

Deferred tax expense relating to changes in tax rates or laws

97,095	6,638
--------	-------

Tax decrease from effect of capital allowances and depreciation

(85,031)	(60,013)
----------	----------

Tax (decrease)/increase from effect of unrelieved tax losses carried forward

<u>(8,092)</u>	<u>47,522</u>
----------------	---------------

Total tax charge

<u><u>97,096</u></u>	<u><u>6,638</u></u>
----------------------	---------------------

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Tangible assets

Group

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Tangible assets (continued)

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 April 2020	1,045,065	7,454,427	9,958	406,505	8,915,955
Additions	-	1,123,461	40,100	-	1,163,561
Disposals	-	(596,762)	-	-	(596,762)
At 31 March 2021	<u>1,045,065</u>	<u>7,981,126</u>	<u>50,058</u>	<u>406,505</u>	<u>9,482,754</u>
Depreciation					
At 1 April 2020	182,666	3,697,304	7,267	8,130	3,895,367
Charge for the year	20,901	450,746	10,698	8,130	490,475
Eliminated on disposal	-	(215,468)	-	-	(215,468)
At 31 March 2021	<u>203,567</u>	<u>3,932,582</u>	<u>17,965</u>	<u>16,260</u>	<u>4,170,374</u>
Carrying amount					
At 31 March 2021	<u>841,498</u>	<u>4,048,544</u>	<u>32,093</u>	<u>390,245</u>	<u>5,312,380</u>
At 31 March 2020	<u>862,399</u>	<u>3,757,123</u>	<u>2,691</u>	<u>398,375</u>	<u>5,020,588</u>

Included within the net book value of land and buildings above is £841,498 (2020 - £862,400) in respect of freehold land and buildings.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Tangible assets (continued)

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021	2020
	£	£
Plant & Machinery	<u>1,886,316</u>	<u>1,727,394</u>

Restriction on title and pledged as security

Plant & Machinery with a carrying amount of £1,886,316 (2020 - £1,727,394) has been pledged as security for the finance or hire purchase contract to which they relate.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Tangible assets (continued)

Company

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2020	4,140,604	9,958	4,150,562
Additions	558,714	40,100	598,814
Disposals	<u>(596,762)</u>	<u>-</u>	<u>(596,762)</u>
At 31 March 2021	<u>4,102,556</u>	<u>50,058</u>	<u>4,152,614</u>
Depreciation			
At 1 April 2020	1,285,525	7,267	1,292,792
Charge for the year	303,914	10,698	314,612
Eliminated on disposal	<u>(215,468)</u>	<u>-</u>	<u>(215,468)</u>
At 31 March 2021	<u>1,373,971</u>	<u>17,965</u>	<u>1,391,936</u>
Carrying amount			
At 31 March 2021	<u>2,728,585</u>	<u>32,093</u>	<u>2,760,678</u>
At 31 March 2020	<u>2,855,079</u>	<u>2,691</u>	<u>2,857,770</u>

13 Investments

Group

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Investments (continued)

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
A.A Lock Transport (Headcorn) Limited	10 Towerfield Road Shoeburyness Essex SS3 9QE	Ordinary £1	100%	100%

Subsidiary undertakings

A.A Lock Transport (Headcorn) Limited

The principal activity of A.A Lock Transport (Headcorn) Limited is UK liquids distributor

Company

	2021	2020
	£	£
Investments in subsidiaries	<u>5,015,225</u>	<u>5,015,225</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2020		<u>5,015,225</u>
Provision		
Carrying amount		
At 31 March 2021		<u>5,015,225</u>
At 31 March 2020		<u>5,015,225</u>

For the year ending 31 March 2021 the subsidiary A.A Lock Transport (Headcorn) Limited was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Other inventories	<u>70,000</u>	<u>71,000</u>	<u>51,000</u>	<u>43,000</u>

15 Debtors

		Group		Company	
	Note	2021	2020	2021	2020
		£	£	£	£
Trade debtors		2,117,652	2,131,582	1,503,569	1,582,022
Other debtors		590,634	592,355	590,634	592,355
Prepayments		170,546	151,183	143,303	124,822
Income tax asset	11	<u>78</u>	<u>78</u>	<u>-</u>	<u>-</u>
		<u>2,878,910</u>	<u>2,875,198</u>	<u>2,237,506</u>	<u>2,299,199</u>

16 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Cash on hand	100	556	100	150
Cash at bank	<u>45,847</u>	<u>24,517</u>	<u>5,539</u>	<u>2,772</u>
	45,947	25,073	5,639	2,922
Bank overdrafts	<u>(941,715)</u>	<u>(1,451,513)</u>	<u>(759,588)</u>	<u>(1,202,502)</u>
Cash and cash equivalents in statement of cash flows	<u>(895,768)</u>	<u>(1,426,440)</u>	<u>(753,949)</u>	<u>(1,199,580)</u>

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

17 Creditors

	Note	Group 2021 £	2020 £	Company 2021 £	2020 £
Due within one year					
Loans and borrowings	21	1,620,478	2,107,138	1,101,332	1,597,064
Trade creditors		711,468	736,562	546,906	514,595
Amounts due to related parties	22	109	13,387	3,284,915	3,284,951
Social security and other taxes		550,000	367,632	415,844	306,726
Accruals		<u>80,934</u>	<u>23,164</u>	<u>56,132</u>	<u>18,252</u>
		<u>2,962,989</u>	<u>3,247,883</u>	<u>5,405,129</u>	<u>5,721,588</u>
Due after one year					
Loans and borrowings	21	<u>1,897,162</u>	<u>1,787,015</u>	<u>574,995</u>	<u>639,878</u>

18 Provisions for liabilities

Group

	Deferred tax £	Total £
At 1 April 2020	496,518	496,518
Increase (decrease) in existing provisions	<u>97,095</u>	<u>97,095</u>
At 31 March 2021	<u>593,613</u>	<u>593,613</u>

Company

	Deferred tax £	Total £
At 1 April 2020	396,611	396,611
Increase (decrease) in existing provisions	<u>44,322</u>	<u>44,322</u>
At 31 March 2021	<u>440,933</u>	<u>440,933</u>

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £75,791 (2020 - £67,987).

20 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

21 Loans and borrowings

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	1,157,947	1,197,920	224,207	225,265
Hire purchase contracts	<u>739,215</u>	<u>589,095</u>	<u>350,788</u>	<u>414,613</u>
	<u>1,897,162</u>	<u>1,787,015</u>	<u>574,995</u>	<u>639,878</u>

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Current loans and borrowings				
Bank borrowings	128,115	144,900	15,993	25,127
Bank overdrafts	941,715	1,451,513	759,588	1,202,502
Hire purchase contracts	<u>550,648</u>	<u>510,725</u>	<u>325,751</u>	<u>369,435</u>
	<u>1,620,478</u>	<u>2,107,138</u>	<u>1,101,332</u>	<u>1,597,064</u>

Unitruc Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

21 Loans and borrowings (continued)

Group

Bank borrowings

The carrying amount at year end is £2,227,777 (2020 - £2,794,333).

The bank loans and overdrafts are secured by a floating charge over the company's assets. Limited guarantee is given by Mr R Horsfall the company director and shareholder of £100,000. Unlimited guarantee is given between the group together with unlimited guarantee given by Fleetspire Limited a company in which Mr R Horsfall is the sole shareholder.

22 Related party transactions

Group

Summary of transactions with other related parties

During the year the company made payments for hire of equipment of £204,000 (2019:£264,000) to Karriman a company in which Mr R K Horsfall is the sole proprietor. At the year end the company were owed £352,258 (2019:£280,258) by Karriman.

During the year the company paid rent of £27,900 (2019:£27,900) to Fleetspire Limited a company in which Mr R K Horsfall has a controlling interest. At the year end the company were owed £239,582 (2019:£243,413) by Fleetspire Limited.

23 Parent and ultimate parent undertaking

The ultimate controlling party is Mr R K Horsfall.