

REGISTERED NUMBER: 03329464 (England and Wales)

**SELECT A SKIP UK LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**



Independent Auditors LLP  
Emstrey House North  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|   | <b>Page</b> |
|---|-------------|
| <b>Company Information</b>                | <b>1</b>    |
| <b>Strategic Report</b>                   | <b>2</b>    |
| <b>Report of the Directors</b>            | <b>4</b>    |
| <b>Report of the Independent Auditors</b> | <b>6</b>    |
| <b>Income Statement</b>                   | <b>9</b>    |
| <b>Other Comprehensive Income</b>         | <b>10</b>   |
| <b>Balance Sheet</b>                      | <b>11</b>   |
| <b>Statement of Changes in Equity</b>     | <b>12</b>   |
| <b>Cash Flow Statement</b>                | <b>13</b>   |
| <b>Notes to the Cash Flow Statement</b>   | <b>14</b>   |
| <b>Notes to the Financial Statements</b>  | <b>15</b>   |

**SELECT A SKIP UK LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|                                  |  |
|----------------------------------|--|
| <b>DIRECTORS:</b>                | J C F Keay<br>Mrs A J Keay   |
| <b>SECRETARIES:</b>              | C S Keay<br>Mrs R H Dodwell  |
| <b>REGISTERED OFFICE:</b>        | Network House<br>Badgers Way<br>Oxon Business Park<br>Shrewsbury<br>Shropshire<br>SY3 5AB                          |
| <b>REGISTERED NUMBER:</b>        | 03329464 (England and Wales)   |
| <b>SENIOR STATUTORY AUDITOR:</b> | Jonathon Dale BA(Hons) FCA   |
| <b>AUDITORS:</b>                 | Independent Auditors LLP<br>Emstrey House North<br>Shrewsbury Business Park<br>Shrewsbury<br>Shropshire<br>SY2 6LG |

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2018**

The directors present their strategic report for the year ended 30 April 2018.

**REVIEW OF BUSINESS**

2017/2018 has been a slightly disappointing year with a small decline in turnover. This is due to the increasingly competitive nature of the Waste Brokerage sector. We have also seen a significant drop off in Domestic orders processed as we switch to a focus on Trade Customer growth.

Speaking to our Trade customers there remains a nervousness with confidence continuing to be hit by the delayed and slow progress on Brexit negotiations.

We do still see positive signs and our Trade customer base has grown over the past year. I am not overly concerned as demand for our waste services which include skip hire, tippers, grab lorries and direct tipping facilities across the UK remains strong.

Select a Skip continue to successfully win new contracts with excellent customer retention. Our close account management has helped us maintain a strong presence in the waste brokerage market. Looking ahead towards 2018/2019 we expect to maintain a similar level of turnover to 2017/2018 with further drop off in Domestic Skip Hire revenue but continued growth in Trade revenue.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Select a Skip will be at risk if exiting the European Union results in a down turn in the UK economy, more specifically in the construction sector. Declining consumer confidence appears to be creating a slowdown in some sectors. However, Select a Skip have always operated across a very wide client base in multiple sectors which will reduce the impact on the business should one sector downturn more than another.

Select a skip are also at risk from Cyber-attacks affecting Data security. Cybercrime is growing at a worrying rate globally and Technology and communication are key to our internal and external operations. Fortunately our system are robust. We have invested significant funds to ensure our systems are protected as much as we can from such attacks.

We continue to invest in our systems to keep pace with the sector.

As has been the case for over 20 years, competition continues to be aggressive in the waste brokerage market which has an impact on margins. We expect this trend to continue.

**FUTURE DEVELOPMENTS**

Select a Skip will continue to focus on our systems further stream lining and integrating all services offered to our clients. This is essential to maintain a competitive edge. Our online portals are now getting increased use as we continue to meet the changing demands of our clients.

**KEY PERFORMANCE INDICATORS**

Sales and margins are reported to the director on a weekly basis to ensure that all sectors of the businesses are performing in line with our forecast.

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**FINANCIAL RISK MANAGEMENT**

The company has a strong and growing balance sheet with no debt. The company does not utilise an overdraft due to well controlled credit management.

**ON BEHALF OF THE BOARD:**

.....  
J C F Keay - Director

Date: .....

19/12/18

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 APRIL 2018**

The directors present their report with the financial statements of the company for the year ended 30 April 2018.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the hire of waste disposal skips.

**DIVIDENDS**

The total distribution of dividends for the year ended 30 April 2018 will be £2,027,398.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2017 to the date of this report.

J C F Keay

Mrs A J Keay

**DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has chosen to set out information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the company's strategic report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**AUDITORS**

The auditors, Independent Auditors LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

.....  
J C F Reay - Director

Date: ..... 19/12/18

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SELECT A SKIP UK LIMITED**

**Opinion**

We have audited the financial statements of Select a Skip UK Limited (the 'company') for the year ended 30 April 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 company's affairs as at 30 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SELECT A SKIP UK LIMITED**

**Opinion on other matters 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 the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

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

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

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**SELECT A SKIP UK 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 a Report of the Auditors 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.

*Independent Auditors LLP*

Jonathon Dale BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Independent Auditors LLP  
Emstrey House North  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

Date: 20 DECEMBER 2018

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|  | Notes | 2018<br>£         | 2017<br>£         |
|--|-------|-------------------|-------------------|
| <b>TURNOVER</b>                        | 4     | <b>21,208,814</b> | <b>21,770,822</b> |
| Cost of sales                          |       | <b>16,851,153</b> | <b>17,437,277</b> |
| <b>GROSS PROFIT</b>                    |       | <b>4,357,661</b>  | <b>4,333,545</b>  |
| Administrative expenses                |       | <b>1,905,491</b>  | <b>1,961,530</b>  |
|  |       | <b>2,452,170</b>  | <b>2,372,015</b>  |
| Other operating income                 |       | <b>2,247</b>      | <b>4,457</b>      |
| <b>OPERATING PROFIT</b>                | 6     | <b>2,454,417</b>  | <b>2,376,472</b>  |
| Interest receivable and similar income |       | <b>15,624</b>     | <b>20,445</b>     |
| <b>PROFIT BEFORE TAXATION</b>          |       | <b>2,470,041</b>  | <b>2,396,917</b>  |
| Tax on profit                          | 7     | <b>468,385</b>    | <b>477,602</b>    |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>   |       | <b>2,001,656</b>  | <b>1,919,315</b>  |

The notes form part of these financial statements

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|  | Notes | 2018<br>£        | 2017<br>£        |
|--|-------|------------------|------------------|
| PROFIT FOR THE YEAR                        |       | 2,001,656        | 1,919,315        |
| OTHER COMPREHENSIVE INCOME                 |       | -                | -                |
| TOTAL COMPREHENSIVE INCOME FOR<br>THE YEAR |       | <u>2,001,656</u> | <u>1,919,315</u> |

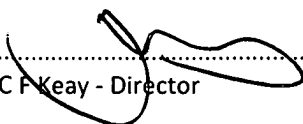
The notes form part of these financial statements

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**BALANCE SHEET**  
**30 APRIL 2018**

|  | Notes | 2018<br>£             | 2017<br>£             |
|--|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                       |                       |
| Tangible assets                              | 9     | 13,858                | 12,196                |
| <b>CURRENT ASSETS</b>                        |       |                       |                       |
| Debtors                                      | 10    | 3,934,414             | 3,641,026             |
| Cash at bank                                 |       | 2,923,606             | 1,994,417             |
|  |       | <u>6,858,020</u>      | <u>5,635,443</u>      |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due within one year          | 11    | <u>6,266,633</u>      | <u>5,016,652</u>      |
| <b>NET CURRENT ASSETS</b>                    |       | <u>591,387</u>        | <u>618,791</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u><u>605,245</u></u> | <u><u>630,987</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                       |                       |
| Called up share capital                      | 13    | 100                   | 100                   |
| Retained earnings                            | 14    | <u>605,145</u>        | <u>630,887</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u><u>605,245</u></u> | <u><u>630,987</u></u> |

The financial statements were approved by the Board of Directors on 19 DECEMBER 2018 and were signed on its behalf by:

  
.....  
J C F Keay - Director

The notes form part of these financial statements

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|                                 | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|---------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 May 2016</b>    | 100                                | 648,572                   | 648,672              |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Dividends                       | -                                  | (1,937,000)               | (1,937,000)          |
| Total comprehensive income      | -                                  | 1,919,315                 | 1,919,315            |
| <b>Balance at 30 April 2017</b> | 100                                | 630,887                   | 630,987              |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Dividends                       | -                                  | (2,027,398)               | (2,027,398)          |
| Total comprehensive income      | -                                  | 2,001,656                 | 2,001,656            |
| <b>Balance at 30 April 2018</b> | 100                                | 605,145                   | 605,245              |

The notes form part of these financial statements

**SELECT A SKIP UK LIMITED (REGISTERED NUMBER: 03329464)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 APRIL 2018**

|   | Notes | 2018<br>£               | 2017<br>£               |
|---|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>             |       |                         |                         |
| Cash generated from operations                          | 1     | 3,410,413               | 1,030,234               |
| Tax paid  |       | (457,391)               | (489,337)               |
| Net cash from operating activities                      |       | <u>2,953,022</u>        | <u>540,897</u>          |
| <b>Cash flows from investing activities</b>             |       |                         |                         |
| Purchase of tangible fixed assets                       |       | (12,059)                | (6,091)                 |
| Interest received                                       |       | 15,624                  | 20,445                  |
| Net cash from investing activities                      |       | <u>3,565</u>            | <u>14,354</u>           |
| <b>Cash flows from financing activities</b>             |       |                         |                         |
| Equity dividends paid                                   |       | (2,027,398)             | (1,937,000)             |
| Net cash from financing activities                      |       | <u>(2,027,398)</u>      | <u>(1,937,000)</u>      |
| <b>Increase/(decrease) in cash and cash equivalents</b> |       | <u>929,189</u>          | <u>(1,381,749)</u>      |
| Cash and cash equivalents at beginning of year          | 2     | 1,994,417               | 3,376,166               |
| Cash and cash equivalents at end of year                | 2     | <u><u>2,923,606</u></u> | <u><u>1,994,417</u></u> |

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

|  | <b>2018</b>      | <b>2017</b>      |
|--|------------------|------------------|
|  | <b>£</b>         | <b>£</b>         |
| Profit before taxation                           | <b>2,470,041</b> | 2,396,917        |
| Depreciation charges                             | <b>10,397</b>    | 10,877           |
| Finance income                                   | <b>(15,624)</b>  | (20,445)         |
|  | <b>2,464,814</b> | 2,387,349        |
| (Increase)/decrease in trade and other debtors   | <b>(293,388)</b> | 291,013          |
| Increase/(decrease) in trade and other creditors | <b>1,238,987</b> | (1,648,128)      |
| <b>Cash generated from operations</b>            | <b>3,410,413</b> | <b>1,030,234</b> |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 April 2018**

|                           | <b>30/4/18</b>   | <b>1/5/17</b>    |
|---------------------------|------------------|------------------|
|                           | <b>£</b>         | <b>£</b>         |
| Cash and cash equivalents | <b>2,923,606</b> | <b>1,994,417</b> |

**Year ended 30 April 2017**

|                           | <b>30/4/17</b>   | <b>1/5/16</b>    |
|---------------------------|------------------|------------------|
|                           | <b>£</b>         | <b>£</b>         |
| Cash and cash equivalents | <b>1,994,417</b> | <b>3,376,166</b> |

The notes form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**1. STATUTORY INFORMATION**

Select A Skip UK Limited is a private company limited by shares incorporated in England. The address of the registered office is given on the company information page on page 1.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover in respect of the rendering of services is recognised by reference to the stage of completion as at the balance sheet date.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                       |               |
|-----------------------|---------------|
| Fixtures and fittings | - 15% on cost |
| Motor vehicles        | - 25% on cost |
| Computer equipment    | - 25% on cost |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, which the transaction is measured at the present value of the future receipts discounted at market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payments is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**4. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

|                       | <b>2018</b>       | <b>2017</b> |
|-----------------------|-------------------|-------------|
|                       | <b>£</b>          | <b>£</b>    |
| Rendering of services | <b>21,208,814</b> | 21,770,822  |
|                       | <b>21,208,814</b> | 21,770,822  |

**5. EMPLOYEES AND DIRECTORS**

|                       | <b>2018</b>    | <b>2017</b> |
|-----------------------|----------------|-------------|
|                       | <b>£</b>       | <b>£</b>    |
| Wages and salaries    | <b>782,016</b> | 811,632     |
| Social security costs | <b>66,615</b>  | 63,180      |
| Other pension costs   | <b>18,937</b>  | 20,247      |
|                       | <b>867,568</b> | 895,059     |

The average number of employees during the year was as follows:

|                          | <b>2018</b> | <b>2017</b> |
|--------------------------|-------------|-------------|
| Management               | <b>8</b>    | 8           |
| Sales and administration | <b>31</b>   | 29          |
|                          | <b>39</b>   | 37          |

|  | <b>2018</b>  | <b>2017</b> |
|--|--------------|-------------|
|  | <b>£</b>     | <b>£</b>    |
| Directors' remuneration                                    | -            | -           |
| Directors' pension contributions to money purchase schemes | <b>2,148</b> | 2,148       |

The number of directors to whom retirement benefits were accruing was as follows:

|  | <b>1</b> | <b>1</b> |
|--|----------|----------|
|--|----------|----------|

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**6. OPERATING PROFIT**

The operating profit is stated after charging:

|                             | 2018   | 2017   |
|-----------------------------|--------|--------|
|                             | £      | £      |
| Depreciation - owned assets | 10,397 | 10,877 |
| Auditors' remuneration      | 4,825  | 5,000  |

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

|                    | 2018    | 2017    |
|--------------------|---------|---------|
|                    | £       | £       |
| Current tax:       |         |         |
| UK corporation tax | 468,385 | 477,602 |
| Tax on profit      | 468,385 | 477,602 |

UK corporation tax has been charged at 19% (2017 - 19.92%).

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

|   | 2018      | 2017      |
|---|-----------|-----------|
|   | £         | £         |
| Profit before tax   | 2,470,041 | 2,396,917 |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.917%) | 469,308   | 477,394   |
| Effects of:   |           |           |
| Capital allowances in excess of depreciation  | (923)     | -         |
| Depreciation in excess of capital allowances  | -         | 208       |
| excess of capital allowances  |           |           |
| Total tax charge  | 468,385   | 477,602   |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**8. DIVIDENDS**

|                                | <b>2018</b>      | <b>2017</b>      |
|--------------------------------|------------------|------------------|
|                                | <b>£</b>         | <b>£</b>         |
| Ordinary shares of £1 each     |                  |                  |
| Interim                        | 1,930,398        | 1,840,000        |
| Ordinary 'A' shares of £1 each |                  |                  |
| Interim                        | 97,000           | 97,000           |
|                                | <u>2,027,398</u> | <u>1,937,000</u> |

**9. TANGIBLE FIXED ASSETS**

|                       | <b>Fixtures<br/>and<br/>fittings<br/>£</b> | <b>Motor<br/>vehicles<br/>£</b> | <b>Computer<br/>equipment<br/>£</b> | <b>Totals<br/>£</b> |
|-----------------------|--|---------------------------------|-------------------------------------|---------------------|
| <b>COST</b>           |  |                                 |                                     |                     |
| At 1 May 2017         | 111,277                                    | 7,000                           | 145,722                             | 263,999             |
| Additions             | 1,313                                      | -                               | 10,746                              | 12,059              |
|                       | <u>112,590</u>                             | <u>7,000</u>                    | <u>156,468</u>                      | <u>276,058</u>      |
| <b>DEPRECIATION</b>   |  |                                 |                                     |                     |
| At 1 May 2017         | 107,332                                    | 5,251                           | 139,220                             | 251,803             |
| Charge for year       | 2,338                                      | 1,749                           | 6,310                               | 10,397              |
|                       | <u>109,670</u>                             | <u>7,000</u>                    | <u>145,530</u>                      | <u>262,200</u>      |
| <b>NET BOOK VALUE</b> |  |                                 |                                     |                     |
| At 30 April 2018      | <u>2,920</u>                               | <u>-</u>                        | <u>10,938</u>                       | <u>13,858</u>       |
| At 30 April 2017      | <u>3,945</u>                               | <u>1,749</u>                    | <u>6,502</u>                        | <u>12,196</u>       |

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | <b>2018</b>      | <b>2017</b>      |
|---------------|------------------|------------------|
|               | <b>£</b>         | <b>£</b>         |
| Trade debtors | 3,707,336        | 3,418,757        |
| Other debtors | 212,017          | 203,009          |
| Prepayments   | 15,061           | 19,260           |
|               | <u>3,934,414</u> | <u>3,641,026</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | <b>2018</b>                  | <b>2017</b>                  |
|---------------------------------|------------------------------|------------------------------|
|                                 | <b>£</b>                     | <b>£</b>                     |
| Trade creditors                 | <b>3,806,225</b>             | 3,912,804                    |
| Tax                             | <b>229,173</b>               | 218,179                      |
| Social security and other taxes | <b>212,615</b>               | 62,644                       |
| Other creditors                 | <b>2,011,120</b>             | 816,180                      |
| Accrued expenses                | <b>7,500</b>                 | 6,845                        |
|                                 | <hr/> <b>6,266,633</b> <hr/> | <hr/> <b>5,016,652</b> <hr/> |

**12. FINANCIAL INSTRUMENTS**

The carrying amount for each category of financial instrument is as follows:

|  | <b>2018</b>      | <b>2017</b> |
|--|------------------|-------------|
|  | <b>£</b>         | <b>£</b>    |
| <b>Financial assets</b>                          |                  |             |
| Debt instruments measured at amortised cost      | <b>6,842,394</b> | 5,616,183   |
| <b>Financial liabilities</b>                     |                  |             |
| Financial liabilities measured at amortised cost | <b>5,817,345</b> | 4,654,227   |

**13. CALLED-UP SHARE CAPITAL**

Allotted, issued and fully paid:

| Number: | Class:       | Nominal<br>value: | <b>2018</b>            | <b>2017</b>            |
|---------|--------------|-------------------|------------------------|------------------------|
|         |              |                   | <b>£</b>               | <b>£</b>               |
| 85      | Ordinary     | £1                | <b>85</b>              | 85                     |
| 10      | Ordinary 'A' | £1                | <b>10</b>              | 10                     |
| 5       | Ordinary 'B' | £1                | <b>5</b>               | 5                      |
|         |              |                   | <hr/> <b>100</b> <hr/> | <hr/> <b>100</b> <hr/> |

**14. RESERVES**

|                     | <b>Retained<br/>earnings<br/>£</b> |
|---------------------|------------------------------------|
| At 1 May 2017       | <b>630,887</b>                     |
| Profit for the year | <b>2,001,656</b>                   |
| Dividends           | <b>(2,027,398)</b>                 |
|                     | <hr/> <b>605,145</b> <hr/>         |
| At 30 April 2018    | <hr/> <b>605,145</b> <hr/>         |

Profit and loss account - This reserve records retained earning and accumulated losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**15. RELATED PARTY DISCLOSURES**

Transactions with other companies in the group have not been disclosed in accordance with section 33.1A of FRS 102

**Select Storage LLP A partnership in which Mr & Mrs Keay are partners**

|                             | <b>2018</b> | <b>2017</b> |
|-----------------------------|-------------|-------------|
|                             | <b>£</b>    | <b>£</b>    |
| Amount due to related party | <b>68</b>   | <b>68</b>   |

**SAS Funded Unapproved Retirement Benefit Scheme - A benefit scheme whose beneficiary is J Keay**

|      | <b>2018</b>   | <b>2017</b>   |
|------|---------------|---------------|
|      | <b>£</b>      | <b>£</b>      |
| Rent | <b>20,000</b> | <b>20,000</b> |

**16. ULTIMATE CONTROLLING PARTY**

The company is owned and controlled by Select Holdings (UK) Ltd.

**17. CONTROLLING RELATIONSHIPS**

The ultimate parent company, Select Holdings (UK) limited, is controlled by the directors of the company.