

24 X 7 LTD.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

COMPANY INFORMATION

DIRECTORS

A T Mahoney
A A Mahoney

COMPANY SECRETARY

A A Mahoney

REGISTERED NUMBER

04142000

REGISTERED OFFICE

Magnolia Cottage
Green Street
Elsenham
Bishop's Stortford
Hertfordshire
CM22 6DS

INDEPENDENT AUDITORS

Price Bailey LLP
Chartered Accountants & Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

INTRODUCTION

The Company is principally engaged in the business activity of contracted transport for schools, special needs children and social care.

BUSINESS REVIEW

The company has been successful in obtaining new business and is confident about prospects for 2018.

The company has made significant changes to its fleet management strategy during the year with the aim of renewing the operating vehicle fleet and reducing the reliance on older models. Vehicle investment has increased significantly to over £12m in the year providing both consumer and operational benefits with new vehicles being used on all major contracts providing improved reliability, lower maintenance and running costs, improved vehicle functionality and environmental benefits. The directors believe that this policy will provide further opportunities for the business to win new contracts whilst continuing to provide service improvements to existing customers.

In addition the directors have carried out a detailed review of each of the main core departments in the business to strengthen its operational capacity and provide a strong platform for growth.

PRINCIPAL RISKS AND UNCERTAINTIES

The main uncertainties for the business are regarding the renewal of contracts and fluctuating fuel prices.

FINANCIAL KEY PERFORMANCE INDICATORS

The principal goal of the business is to achieve sustainable growth and maximum return whilst delivering exceptional services to our customers, and creating a happy environment for our employees.

Increase in margin through KPI focus in each department is helping to achieve these objectives.

Sales performance for the year was 17.6% ahead of 2016.

Administrative expenses continue to be monitored and controlled.

Administration costs represents 13.9% of Turnover (15.6% in 2016).

This report was approved by the board on 22 March 2018 and signed on its behalf.

A T Mahoney
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Directors present their report and the financial statements for the year ended 31 August 2017.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent 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 to 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.

DIRECTORS

The Directors who served during the year were:

A T Mahoney
A A Mahoney

EMPLOYEE INVOLVEMENT

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole.

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as Auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 22 March 2018 and signed on its behalf.

A T Mahoney
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 24 X 7 LTD.

OPINION

We have audited the financial statements of 24 X 7 LTD. (the 'Company') for the year ended 31 August 2017, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Cash Flows and the related notes, 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).

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 Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2017 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 United Kingdom, including the Financial Reporting Council'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 included in the Annual Report, other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 24 X 7 LTD. (CONTINUED)

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.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the 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 the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' Responsibilities Statement on page 2, 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 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 24 X 7 LTD. (CONTINUED)

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 an Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Richard Vass (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

26 March 2018

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	2016 £
Turnover		9,432,981	8,017,730
Cost of sales		(6,925,377)	(5,798,786)
GROSS PROFIT		<u>2,507,604</u>	<u>2,218,944</u>
Administrative expenses		(1,306,500)	(1,247,439)
OPERATING PROFIT	4	<u>1,201,104</u>	<u>971,505</u>
Interest payable and expenses	7	(315,510)	(196,775)
PROFIT BEFORE TAX		<u>885,594</u>	<u>774,730</u>
Tax on profit	8	(181,338)	(183,643)
PROFIT AFTER TAX		<u><u>704,256</u></u>	<u><u>591,087</u></u>
Retained earnings at the beginning of the year		<u>2,159,088</u>	<u>1,628,001</u>
		2,159,088	1,628,001
Profit for the year		704,256	591,087
Dividends declared and paid		-	(60,000)
RETAINED EARNINGS AT THE END OF THE YEAR		<u><u>2,863,344</u></u>	<u><u>2,159,088</u></u>

The notes on pages 10 to 22 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	9	12,457,623	5,687,209
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	1,897,045	1,263,635
Cash at bank and in hand	12	913,769	1,286,154
		<u>2,810,814</u>	<u>2,549,789</u>
Creditors: amounts falling due within one year	13	(2,059,715)	(2,212,358)
NET CURRENT ASSETS		<u>751,099</u>	<u>337,431</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,208,722</u>	<u>6,024,640</u>
Creditors: amounts falling due after more than one year	14	(9,830,513)	(3,467,034)
PROVISIONS FOR LIABILITIES			
Deferred tax	16	(484,863)	(398,516)
Other provisions		(30,000)	-
		<u>(514,863)</u>	<u>(398,516)</u>
NET ASSETS		<u><u>2,863,346</u></u>	<u><u>2,159,090</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	2	2
Profit and loss account	19	2,863,344	2,159,088
		<u><u>2,863,346</u></u>	<u><u>2,159,090</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 March 2018.

A T Mahoney
Director

The notes on pages 10 to 22 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES		
<-- Enter row heading -->	704,256	591,087
ADJUSTMENTS FOR:		
Depreciation of tangible assets	1,314,752	625,225
Loss on disposal of tangible assets	30,356	348,051
Interest paid	315,510	196,775
Taxation charge	181,338	183,643
(Increase)/decrease in debtors	(633,411)	299,397
(Decrease) in creditors	(501,753)	(97,519)
Increase in provisions	30,000	-
Corporation tax (paid)	(237,444)	(15,143)
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>1,203,604</u>	<u>2,131,516</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(12,646,898)	(1,583,577)
Sale of tangible fixed assets	4,531,376	178,455
NET CASH FROM INVESTING ACTIVITIES	<u>(8,115,522)</u>	<u>(1,405,122)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of/new finance leases	6,855,043	329,570
Dividends paid	-	(60,000)
HP interest paid	(315,510)	(196,775)
NET CASH USED IN FINANCING ACTIVITIES	<u>6,539,533</u>	<u>72,795</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(372,385)</u>	<u>799,189</u>
Cash and cash equivalents at beginning of year	1,286,154	486,965
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u><u>913,769</u></u>	<u><u>1,286,154</u></u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	<u><u>913,769</u></u>	<u><u>1,286,154</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is Magnolia Cottage, Green Street, Elsenham, Bishop's Stortford, Hertfordshire, CM22 6DS. Its place of business is Coopers End Road, Stansted Airport, Essex, CM24 1RW.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 (FRS 102).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance or straight line basis.

Depreciation is provided on the following basis:

Leasehold improvements	-	10% straight line basis
Motor vehicles	-	5 - 25% reducing balance or straight line
Office equipment	-	25% reducing balance
Other fixed assets	-	25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtor and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

2.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.8 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3.

JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future based on their knowledge of the business and the markets it operates in. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	1,314,752	625,225
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	7,200	8,000
Other operating lease rentals	90,100	89,267
Defined contribution pension cost	<u>4,460</u>	<u>5,447</u>

5. EMPLOYEES

Staff costs, including Directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	4,359,254	4,076,068
Social security costs	58,847	49,052
Cost of defined contribution scheme	4,460	5,447
	<u>4,422,561</u>	<u>4,130,567</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2017 No.	2016 No.
Drivers and mechanics	700	668
Staff	23	17
	<u>723</u>	<u>685</u>

The only Key Management Personnel in the Company are the two directors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

6. DIRECTORS' REMUNERATION

	2017 £	2016 £
Directors' emoluments	<u>26,827</u>	<u>32,461</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £	2016 £
Finance leases and hire purchase contracts	<u>315,510</u>	<u>196,775</u>

8. TAXATION

	2017 £	2016 £
CORPORATION TAX		
Current tax on profits for the year	<u>94,991</u>	<u>198,326</u>
DEFERRED TAX		
Origination and reversal of timing differences	<u>86,347</u>	<u>(14,683)</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>181,338</u>	<u>183,643</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

8. TAXATION (CONTINUED)**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.6% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>885,594</u>	<u>774,730</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.6% (2016 - 20%)	103,319	154,946
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 - 20%)	70,111	-
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	9,658	406
Capital allowances for year in excess of depreciation	(92,013)	45,696
Adjustments to tax charge in respect of prior periods	-	2,374
Changes in provisions leading to an increase (decrease) in the tax charge	86,347	(14,683)
Unrelieved tax losses carried forward	-	(9,096)
Unrelieved loss on foreign subsidiaries	3,916	4,000
TOTAL TAX CHARGE FOR THE YEAR	<u><u>181,338</u></u>	<u><u>183,643</u></u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property £	Motor vehicles £	Office equipment £	Other fixed assets £	Total £
COST OR VALUATION					
At 1 September 2016	615,401	6,631,636	134,522	2,835	7,384,394
Additions	-	12,628,699	18,199	-	12,646,898
Disposals	-	(5,778,733)	-	-	(5,778,733)
At 31 August 2017	<u>615,401</u>	<u>13,481,602</u>	<u>152,721</u>	<u>2,835</u>	<u>14,252,559</u>
DEPRECIATION					
At 1 September 2016	61,540	1,565,112	68,202	2,331	1,697,185
Charge for the year on owned assets	61,540	46,326	18,352	126	126,344
Charge for the year on financed assets	-	1,188,408	-	-	1,188,408
Disposals	-	(1,217,001)	-	-	(1,217,001)
At 31 August 2017	<u>123,080</u>	<u>1,582,845</u>	<u>86,554</u>	<u>2,457</u>	<u>1,794,936</u>
NET BOOK VALUE					
At 31 August 2017	<u>492,321</u>	<u>11,898,757</u>	<u>66,167</u>	<u>378</u>	<u>12,457,623</u>
At 31 August 2016	<u>553,861</u>	<u>5,066,524</u>	<u>66,320</u>	<u>504</u>	<u>5,687,209</u>

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Short leasehold	<u>492,321</u>	<u>553,861</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	<u>11,098,014</u>	<u>4,873,492</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. DIVIDENDS

	2017 £	2016 £
Dividends paid on equity capital	<u>-</u>	<u>60,000</u>

11. DEBTORS

	2017 £	2016 £
Trade debtors	836,319	419,502
Other debtors	975,326	643,795
Prepayments and accrued income	65,462	126,138
Tax recoverable	19,938	74,200
	<u>1,897,045</u>	<u>1,263,635</u>

12. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	<u>913,769</u>	<u>1,286,154</u>

13. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	83,370	64,129
Corporation tax	40,729	183,182
Other taxation and social security	30,602	290,392
Net obligations under finance lease and hire purchase contracts	1,393,838	902,274
Other creditors	451,941	726,835
Accruals and deferred income	59,235	45,546
	<u>2,059,715</u>	<u>2,212,358</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

14. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	<u>9,830,513</u>	<u>3,467,034</u>

Secured loans

Net obligations under finance leases and hire purchase contracts are secured over the asset to which they relate.

15. FINANCIAL INSTRUMENTS

	2017 £	2016 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	913,769	1,286,154
Financial assets that are debt instruments measured at amortised cost	<u>1,811,646</u>	<u>1,074,949</u>
	<u>2,725,415</u>	<u>2,361,103</u>

FINANCIAL LIABILITIES

Financial liabilities measured at amortised cost	<u>(281,311)</u>	<u>(295,313)</u>
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Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors, accruals and deferred income.

16. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	398,516	413,199
Charged to profit or loss	<u>86,347</u>	<u>(14,683)</u>
At end of year	<u>484,863</u>	<u>398,516</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. DEFERRED TAXATION (CONTINUED)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>484,863</u>	<u>398,516</u>

17. PROVISIONS

	Dilapidations provision £
Dilapidations provision	<u>30,000</u>
AT 31 AUGUST 2017	<u><u>30,000</u></u>

18. SHARE CAPITAL

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u><u>2</u></u>	<u><u>2</u></u>

19. RESERVES**Profit & loss account**

The profit and loss reserve represents accumulated comprehensive income of the year and prior periods less any dividends paid.

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £4,460 (2016 - £5,447). The amount outstanding at the year end was £842 (2016 - £642).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

21. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	20,000	30,786
Later than 1 year and not later than 5 years	80,000	80,000
Later than 5 years	180,000	200,000
	<u>280,000</u>	<u>310,786</u>

22. TRANSACTIONS WITH DIRECTORS

At 1 September 2016 A T Mahoney, a Director, owed £296,800 to the Company. During the year he made withdrawals of £110,690 and repayments of £401,506, leaving a balance of £5,984 due to the Company as at 31 August 2017. This loan is interest free and repayable on demand.

At 1 September 2016 A A Mahoney, a Director, was owed £250,005 by the Company. During the year he made withdrawals of £347,974 and repayments of £1,620, leaving a balance of £96,349 due to the Company as at 31 August 2017. This loan is interest free and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

23. RELATED PARTY TRANSACTIONS

During the year the company paid £20,000 (2016 - £20,000) for rent of a property to A T Mahoney, a director of the Company.

During the year the company incurred a total of £641,493 (2016 - £323,071) relating to management fees and wages from 24 x 7 (Southend) Limited, a company of which A T & A A Mahoney are directors. 24 x 7 (Southend) Limited paid £247,565 (2016 - £62,694) relating to management charges and vehicle rental to the company in the year. £419,444 (2016 - £232,558) was transferred to 24 x 7 (Southend) Limited in the year.

The amount due to 24 x 7 (Southend) Limited at the year end was £119,000 (2016 - £144,516).

During the year the company recharged expenses of £29,629 (2016 - £44,362) to Daybreak Services Limited, a company of which A T & A A Mahoney are directors. 24 x 7 Limited received a total of £32,270 (2016 - £121,560) relating to sales of Daybreak Services Limited in the year and made payments of £20,233 (2016 - £22,354) relating to vehicle purchases and expenses incurred on behalf of Daybreak Services Limited.

The amount due from Daybreak Services Limited at the year end was £11,217 (2016 - £2,515 due to Daybreak Services Limited).

During the year the company recharged expenses totalling £266,423 (2016 - £234,847) and sold vehicles for a total consideration of £NIL (2016 - £10,214) to 24 x 7 (Hertfordshire) Limited, a company of which A T Mahoney is a Director. The company was also charged expenses totalling £NIL (2016 - £795) from 24 x 7 (Hertfordshire) Limited during the year.

The amount due from 24 x 7 (Hertfordshire) Limited at the year end was £121,684 (2016 - £28,782 due to 24 x 7 (Hertfordshire) Limited).

During the year the company recharged expenses totalling £143,665 (2016 - £179,440) and was charged costs of £NIL (2016 - £17,465) from 24 x 7 (Northants) Limited, a company of which A T & A A Mahoney are Directors.

The amount due to 24 x 7 (Northants) Limited at the year end was £11,643 (2016 - £4,081 due from 24 x 7 (Northants) Limited).

During the year the company recharged expenses totalling £84,217 (2016 - £75,286) and was charged costs of £170,938 (2016 - £100,269) from 24 x 7 (Fleet Services) Limited, a company of which A T & A A Mahoney are Directors.

The amount due from 24 x 7 (Fleet Services) Limited at the year end was £329,384 (2016 - £250,738).

During the year the company recharged expenses totalling £97,342 (2016 - £40,699) and was charged costs of £7,793 (2016 - £NIL) from 24 x 7 (Bucks) Limited, a company of which A T & A A Mahoney are Directors.

The amount due from 24 x 7 (Bucks) Limited at the year end was £8,260 (2016 - £5,612).

During the year the company made a loan of £NIL (2016 - £1,000) to 24 x 7 (Norfolk) Limited, a company of which A T & A A Mahoney are Directors.

The amount due from 24 x 7 (Norfolk) Limited at the year end was £1,000 (2016 - £1,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

23. RELATED PARTY TRANSACTIONS (CONTINUED)

The 24 x 7 Special Needs Holiday Trust, is a charity and company of which A T Mahoney and A A Mahoney are Directors and Trustees.

During the year the company paid for expenses totalling £25,815 (2016 - £49,609) on behalf of the charity, of which £54,170 (2016 - £19,665) has been repaid in the year.

The amount due from 24 x 7 Special Needs Trust Limited at the year end was £11,226 (2016 - £39,582).

During the year the company paid expenditure of £29,091 (2016 - £25,045) on behalf of LDA, a company registered in Portugal in which Mr A T Mahoney is a Director and the sole shareholder.

The amount due from them at the year end was £75,075 (2016 - £45,984).

During the year the company recharged expenses totalling £305,847 (2016 - £NIL) and was charged costs of £17,100 (2016 - £NIL) from 24 x 7 (Hants) Limited, a company of which A T Mahoney is a Director.

The amount due from 24 x 7 (Hants) Limited at the year end was £28,611 (2016 - £NIL).

During the year the company recharged expenses totalling £414,845 (2016 - £NIL) to 24 x 7 (Lincs) Limited, a company of which A T & A A Mahoney are Directors.

The amount due from 24 x 7 (Lincs) Limited at the year end was £152,796 (2016 - £NIL).