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**A & D TRANSPORT (NW)
LIMITED**

DIRECTOR'S REPORT AND ACCOUNTS

**for the year ended
31st March 2014**



Company Registration Number 05745335

A & D TRANSPORT (NW) LIMITED

Accounts

Year ended 31st March 2014

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A & D TRANSPORT (NW) LIMITED

Strategic Report

Year ended 31st March 2014

Principal activity

The principal activity of the company during the year was that of a haulier.

Business review

The director is pleased with the results for the year.

The director consider that the key performance indicators that are relevant to the company are sales, gross profit and net profit.

During the year sales growth has continued, with an overall increase of 5% from the previous year. The company has expanded its fleet and is now undertaking a greater proportion of its work via its own fleet with less reliance on subcontractors.

The current years trading has started well and expectations for sales and profits for the year ended 31 March 2015 are encouraging.

Policy on payment of creditors

Creditors are paid in accordance with terms of business agreed with individual suppliers. Trade creditors included in the balance sheet represented 55 days (2013: 70 days) of average purchases during the period.

Signed by



Mr A S Brimble
Director

Approved by the director on 22nd December 2014

A & D TRANSPORT (NW) LIMITED

Director's Report

Year ended 31st March 2014

The director presents his report and the accounts of the company for the year ended 31st March 2014.

Results and dividends

The profit for the year, after taxation, amounted to £279,902. Particulars of dividends paid are detailed in note 8 to the accounts.

Financial risk management objectives and policies

The company uses conventional forms of working capital to finance its day to day activities and as such the figures appearing in the accounts reflect the absolute value of amounts recoverable and payable. The directors receive regular reports on these figures in order to manage the company's requirements.

The director and his interests in the shares of the company

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At	At
	31 March 2014	1 April 2013
Mr A S Brimble	<u>2</u>	<u>2</u>

Director's responsibilities

The director is responsible for preparing the Strategic Report, Director's Report and the accounts in accordance with applicable law and regulations.

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the accounts 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 year.

In preparing these accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

A & D TRANSPORT (NW) LIMITED

Director's Report *(continued)*

Year ended 31st March 2014

The director is 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 him to ensure that the accounts comply with the Companies Act 2006. He is 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.

Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 is noted in the strategic report on page 1.

Auditor

Following the transfer of the business of Mitchell Charlesworth to Mitchell Charlesworth LLP on 1st June 2014, and having expressed a willingness to continue in office, Mitchell Charlesworth LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Director's statement on disclosure of information to the auditor

The director at the date of the approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
60A Broad Lane
Collins Green
Warrington
Cheshire
WA8 4AB

Signed by



Mr A S Brimble
Director

Approved by the director on 22nd December 2014

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool

A & D TRANSPORT (NW) LIMITED

Independent Auditor's Report to the Shareholders of A & D Transport (NW) Limited

Year ended 31st March 2014

We have audited the accounts of A & D Transport (NW) Limited for the year ended 31st March 2014 on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on pages 2 to 3, the director is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31st March 2014 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.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool

A & D TRANSPORT (NW) LIMITED

Independent Auditor's Report to the Shareholders of A & D Transport (NW) Limited (continued)

Year ended 31st March 2014

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Director's Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



MR P L GRIFFITHS (Senior
Statutory Auditor)
For and on behalf of
MITCHELL CHARLESWORTH LLP
Chartered Accountants
Statutory Auditor

5 Temple Square
Temple Street
Liverpool
L2 5RH

22nd December 2014

A & D TRANSPORT (NW) LIMITED

Profit and Loss Account

Year ended 31st March 2014

		2014	2013
	Note	£	£
Turnover	2	7,588,541	7,218,564
Cost of sales		6,970,225	6,617,461
Gross profit		618,316	601,103
Administrative expenses		189,138	131,623
Operating profit	3	429,178	469,480
Interest payable and similar charges	6	75,840	84,944
Profit on ordinary activities before taxation		353,338	384,536
Tax on profit on ordinary activities	7	73,436	75,844
Profit for the financial year		279,902	308,692

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 17 form part of these accounts.

A & D TRANSPORT (NW) LIMITED

Balance Sheet

31st March 2014

	Note	£	2014 £	2013 £
Fixed assets				
Tangible assets	9		3,709,936	3,493,673
Current assets				
Debtors	10	1,084,592		951,200
Cash at bank		821		14,344
		<u>1,085,413</u>		<u>965,544</u>
Creditors: amounts falling due within one year	11	<u>2,925,058</u>	<u>2,290,932</u>	
Net current liabilities			<u>(1,839,645)</u>	<u>(1,325,388)</u>
Total assets less current liabilities			<u>1,870,291</u>	<u>2,168,285</u>
Creditors: amounts falling due after more than one year	12		986,948	1,445,344
Provisions for liabilities				
Deferred taxation	14		82,000	79,000
			<u>801,343</u>	<u>643,941</u>
Capital and reserves				
Called-up equity share capital	16		2	2
Profit and loss account	17		801,341	643,939
Shareholders' funds	18		<u>801,343</u>	<u>643,941</u>

These accounts were approved and signed by the director and authorised for issue on 22nd December 2014.

Mr A S Brimble



Company Registration Number: 05745335

The notes on pages 10 to 17 form part of these accounts.

A & D TRANSPORT (NW) LIMITED

Cash Flow Statement

Year ended 31st March 2014

	2014	2013
	£	£
Net cash inflow from operating activities	1,066,621	1,054,090
Returns on investments and Servicing of finance		
Interest paid	(9,615)	(2,156)
Interest element of hire purchase and finance lease	(66,225)	(82,788)
Net cash outflow from returns on investments and servicing of finance	(75,840)	(84,944)
Taxation	(58,545)	(48,844)
Capital expenditure		
Payments to acquire tangible fixed assets	—	(38,953)
Receipts from sale of fixed assets	67,500	29,847
Net cash inflow/(outflow) from capital expenditure	67,500	(9,106)
Equity dividends paid	(122,500)	(116,700)
Cash inflow before financing	877,236	794,496
Financing		
Net inflow from other short-term creditors	2,885	2,945
Capital element of hire purchase and finance lease	(1,276,200)	(1,126,232)
Net cash outflow from financing	(1,273,315)	(1,123,287)
Decrease in cash	(396,079)	(328,791)
Reconciliation of operating profit to net cash inflow from operating activities		
	2014	2013
	£	£
Operating profit	429,178	469,480
Depreciation	915,005	732,177
Loss on disposal of fixed assets	21,188	2,860
Increase in debtors	(133,392)	(90,494)
Decrease in creditors	(165,358)	(59,933)
Net cash inflow from operating activities	1,066,621	1,054,090

A & D TRANSPORT (NW) LIMITED

Cash Flow Statement

Year ended 31st March 2014

Reconciliation of net cash flow to movement in net debt

	2014	2013
	£	£
Decrease in cash in the period	(396,079)	(328,791)
Net (inflow) from other short-term creditors	(2,885)	(2,945)
Cash outflow in respect of hire purchase and finance lease	1,276,200	1,126,232
Change in net debt resulting from cash flows	877,236	794,496
New finance leases	(1,219,956)	(1,416,422)
Movement in net debt in the period	(342,720)	(621,926)
Net debt at 1 April 2013	(2,401,226)	(1,779,300)
Net debt at 31 March 2014	(2,743,946)	(2,401,226)

Analysis of changes in net debt

	At 1 Apr 2013	Cash flows	Other changes	At 31 Mar 2014
	£	£	£	£
Net cash:				
Cash in hand and at bank	14,344	(13,523)	—	821
Overdrafts	(170,871)	(382,556)	—	(553,427)
	(156,527)	(396,079)	—	(552,606)
Debt:				
Debt due within 1 year	(9,190)	(2,885)	—	(12,075)
Hire purchase and finance lease agreements	(2,235,509)	1,276,200	(1,219,956)	(2,179,265)
	(2,244,699)	1,273,315	(1,219,956)	(2,191,340)
Net debt	(2,401,226)	877,236	(1,219,956)	(2,743,946)

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	20% reducing balance
Motor Vehicles	-	25% reducing balance
Equipment	-	20% reducing balance

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

1. Accounting policies *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	<u>7,588,541</u>	<u>7,218,564</u>

3. Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Depreciation of owned fixed assets	109,670	71,297
Depreciation of assets held under hire purchase and finance lease agreements	805,335	660,880
Loss on disposal of fixed assets	21,188	2,860
Auditor's remuneration		
- as auditor	4,300	4,150
- for other services	<u>10,441</u>	<u>9,704</u>

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2014	2013
	No	No
Number of distribution staff	45	41
Number of office and management	9	7
	<u>54</u>	<u>48</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	1,319,700	1,145,385
Social security costs	132,601	114,461
Other pension costs	24,000	24,000
	<u>1,476,301</u>	<u>1,283,846</u>

5. Director's remuneration

The director's aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	7,978	8,149
Value of company pension contributions to money purchase schemes	12,000	12,000
	<u>19,978</u>	<u>20,149</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

6. Interest payable and similar charges

	2014 £	2013 £
Interest payable on bank borrowing	9,051	2,156
Finance charges	66,225	82,788
Other similar charges payable	564	—
	<u>75,840</u>	<u>84,944</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 23% (2013 - 20%)	70,891	59,000
Over/under provision in prior year	(455)	844
Total current tax	<u>70,436</u>	<u>59,844</u>
Deferred tax:		
Origination and reversal of timing differences	3,000	16,000
Tax on profit on ordinary activities	<u>73,436</u>	<u>75,844</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23% (2013 - 20%).

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>353,338</u>	<u>384,536</u>
Profit on ordinary activities by rate of tax	81,268	76,907
Expenses not deductible for tax purposes	729	371
Depreciation for period in excess of capital allowances	(2,450)	(18,278)
Adjustment to reflect effective tax rate	(8,656)	—
Adjustments to tax charge in respect of previous periods	(455)	844
Total current tax (note 7(a))	<u>70,436</u>	<u>59,844</u>

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

8. Dividends

Equity dividends

	2014 £	2013 £
Paid		
Equity dividends on ordinary shares	<u>122,500</u>	<u>116,700</u>

9. Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1st April 2013	30,000	5,903,783	16,421	5,950,204
Additions	–	1,219,956	–	1,219,956
Disposals	–	(172,000)	–	(172,000)
At 31st March 2014	<u>30,000</u>	<u>6,951,739</u>	<u>16,421</u>	<u>6,998,160</u>
Depreciation				
At 1st April 2013	–	2,450,781	5,750	2,456,531
Charge for the year	6,000	906,871	2,134	915,005
On disposals	–	(83,312)	–	(83,312)
At 31st March 2014	<u>6,000</u>	<u>3,274,340</u>	<u>7,884</u>	<u>3,288,224</u>
Net book value				
At 31st March 2014	<u>24,000</u>	<u>3,677,399</u>	<u>8,537</u>	<u>3,709,936</u>
At 31st March 2013	<u>30,000</u>	<u>3,453,002</u>	<u>10,671</u>	<u>3,493,673</u>

Hire purchase and finance lease agreements

Included within the net book value of £3,709,936 is £1,304,873 (2013 - £2,175,617) relating to assets held under hire purchase agreements, and £1,531,357 (2013 - £875,982) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £405,447 (2013 - £396,696), and £399,888 (2013 - £264,184) in respect of assets held under finance lease agreements.

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

10. Debtors

	2014	2013
	£	£
Trade debtors	970,186	951,200
Prepayments and accrued income	114,406	—
	<u>1,084,592</u>	<u>951,200</u>

11. Creditors: amounts falling due within one year

	2014	2013
	£	£
Overdrafts	553,427	170,871
Trade creditors	712,154	930,612
Corporation tax	70,891	59,000
Other taxation and social security	167,047	158,954
Hire purchase and finance lease agreements	1,192,317	790,165
Other creditors	12,075	9,190
Directors current accounts	157,118	161,440
Accruals and deferred income	60,029	10,700
	<u>2,925,058</u>	<u>2,290,932</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014	2013
	£	£
Overdrafts	553,427	170,871
Hire purchase and finance lease agreements	1,192,317	790,165
	<u>1,745,744</u>	<u>961,036</u>

The overdraft amounts above include a bank overdraft with The Royal Bank of Scotland plc which is secured by way of a debenture from the company and a personal guarantee from the director of £150,000.

Also, included in the overdraft figure is an invoice discounting facility with RBS Invoice Finance Limited which is secured by way of a debenture over the company's assets.

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

	2014	2013
	£	£
Hire purchase and finance lease agreements	<u>986,948</u>	<u>1,445,344</u>

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

12. Creditors: amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2014 £	2013 £
Hire purchase and finance lease agreements	<u>986,948</u>	<u>1,445,344</u>

13. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows:

	2014 £	2013 £
Amounts payable within 1 year	1,192,317	790,165
Amounts payable between 2 to 5 years	<u>986,948</u>	<u>1,445,344</u>
	<u>2,179,265</u>	<u>2,235,509</u>
Hire purchase and finance lease agreements are analysed as follows:		
Current obligations	1,192,317	790,165
Non-current obligations	<u>986,948</u>	<u>1,445,344</u>
	<u>2,179,265</u>	<u>2,235,509</u>

14. Deferred taxation

The movement in the deferred taxation provision during the year was:

	2014 £	2013 £
Provision brought forward	79,000	63,000
Profit and loss account movement arising during the year	<u>3,000</u>	<u>16,000</u>
Provision carried forward	<u>82,000</u>	<u>79,000</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	<u>82,000</u>	<u>79,000</u>
	<u>82,000</u>	<u>79,000</u>

A & D TRANSPORT (NW) LIMITED

Notes to the Accounts

Year ended 31st March 2014

15. Related party transactions

The company was under the control of Mr A S Brimble and Mrs D Brimble throughout the current and previous year.

At 31st March 2014 there was a balance due to Mr A S Brimble, the company's sole director, amounting to £157,118 (2013 £161,440).

16. Share capital

Authorised share capital:

	2014	2013
	£	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

17. Profit and loss account

	2014	2013
	£	£
Balance brought forward	643,939	451,947
Retained profit for the financial year	279,902	308,692
Equity dividends	(122,500)	(116,700)
Balance carried forward	<u>801,341</u>	<u>643,939</u>

18. Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the financial year	279,902	308,692
Equity dividends	(122,500)	(116,700)
Net addition to shareholders' funds	157,402	191,992
Opening shareholders' funds	643,941	451,949
Closing shareholders' funds	<u>801,343</u>	<u>643,941</u>