

Company Registration No. 05745335 (England and Wales)

**A & D TRANSPORT (NW) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

## A & D TRANSPORT (NW) LIMITED

### COMPANY INFORMATION

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Director	A Brimble
Company number	05745335
Registered office	60A Broad Lane Collins Green Warrington Cheshire WA5 4AB
Auditor	Mitchell Charlesworth LLP 3rd Floor 5 Temple Square Temple Street Liverpool Merseyside L2 5RH

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

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

### **STRATEGIC REPORT**

***FOR THE YEAR ENDED 31 MARCH 2018***

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The director presents the strategic report for the year ended 31 March 2018.

#### **Principal activities**

The principal activity of the company continued to be that of a haulier.

#### **Fair review of the business**

This has been a positive year with turnover increasing as a result of two factors. New contract wins in the prior year but also the return to "normal trading" with one of the businesses key customers following the disruption of the prior year.

The company has maintained gross profit margin, however additional central overheads following the acquisition of the new offices at the end of March 2017 has left the result for the year comparable with that of the prior year.

The director is confident that 2019 will be in line with 2018, albeit fuel price rises are proving challenging.

#### **Principal risks and uncertainties**

The directors meet regularly to discuss the risks facing the business. The principal risks and uncertainties facing the company are broadly commercial risks.

#### **Commercial risks**

The director sees credit control, cost control and customer concentration as the key risks in the business. These are continually monitored and considered in order to minimise risk to the company.

#### **Other information and explanations**

##### **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 56 days (2017: 46 days) of average purchases during the period.

On behalf of the board

A Brimble

**Director**

20 December 2018

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

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 31 MARCH 2018***

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The director presents his annual report and financial statements for the year ended 31 March 2018.

### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

A Brimble

### **Results and dividends**

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £72,000. The director does not recommend payment of a final dividend.

### **Auditor**

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.

### **Statement of director's responsibilities**

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 them to ensure that the financial statements 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.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

### **DIRECTOR'S REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2018***

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#### **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.

On behalf of the board

A Brimble

**Director**

20 December 2018

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

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF A & D TRANSPORT (NW) LIMITED**

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##### **Opinion**

We have audited the financial statements of A & D Transport (NW) Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 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 Auditor's *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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

##### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

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

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF A & D TRANSPORT (NW) LIMITED**

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##### **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 and the director's report.

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

- adequate accounting records have not been kept, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

##### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director is 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 director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

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

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

##### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Philip Griffiths (Senior Statutory Auditor)**  
**for and on behalf of Mitchell Charlesworth LLP**

20 December 2018

**Chartered Accountants**  
**Statutory Auditor**

3rd Floor  
5 Temple Square  
Temple Street  
Liverpool  
Merseyside  
L2 5RH



## A & D TRANSPORT (NW) LIMITED

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

		2018	2017
	Notes	£	£
Turnover	3	10,199,196	8,368,102
Cost of sales		(9,188,115)	(7,541,787)
<b>Gross profit</b>		<b>1,011,081</b>	<b>826,315</b>
Administrative expenses		(416,670)	(305,061)
<b>Operating profit</b>	4	<b>594,411</b>	<b>521,254</b>
Interest payable and similar expenses	8	(217,863)	(140,802)
<b>Profit before taxation</b>		<b>376,548</b>	<b>380,452</b>
Tax on profit	9	(75,600)	(57,866)
<b>Profit for the financial year</b>		<b>300,948</b>	<b>322,586</b>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# A & D TRANSPORT (NW) LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	11		7,326,716		7,307,095
<b>Current assets</b>					
Debtors	13	1,859,101		1,621,532	
<b>Creditors: amounts falling due within one year</b>	14				
		(4,891,303)		(4,563,015)	
<b>Net current liabilities</b>			(3,032,202)		(2,941,483)
<b>Total assets less current liabilities</b>			4,294,514		4,365,612
<b>Creditors: amounts falling due after more than one year</b>	15		(2,686,935)		(2,994,581)
<b>Provisions for liabilities</b>	18		(178,500)		(170,900)
<b>Net assets</b>			1,429,079		1,200,131
<b>Capital and reserves</b>					
Called up share capital	21		2		2
Profit and loss reserves			1,429,077		1,200,129
<b>Total equity</b>			1,429,079		1,200,131

The financial statements were approved and signed by the director and authorised for issue on 20 December 2018

A Brimble

Director

Company Registration No. 05745335

# A & D TRANSPORT (NW) LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 April 2016		2	973,543	973,545
Year ended 31 March 2017:				
Profit and total comprehensive income for the year		-	322,586	322,586
Dividends	10	-	(96,000)	(96,000)
Balance at 31 March 2017		2	1,200,129	1,200,131
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	300,948	300,948
Dividends	10	-	(72,000)	(72,000)
Balance at 31 March 2018		2	1,429,077	1,429,079

# A & D TRANSPORT (NW) LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		2,131,572		1,869,484
Interest paid			(217,863)		(140,802)
Income taxes paid			(35,431)		(40,135)
<b>Net cash inflow from operating activities</b>			<u>1,878,278</u>		<u>1,688,547</u>
<b>Investing activities</b>					
Purchase of tangible fixed assets		(229,488)		(218,699)	
Proceeds on disposal of tangible fixed assets		32,000		107,500	
<b>Net cash used in investing activities</b>			<u>(197,488)</u>		<u>(111,199)</u>
<b>Financing activities</b>					
Repayment/ proceeds of bank loans		(30,608)		150,000	
Payment of finance leases obligations		(1,735,500)		(2,003,274)	
Dividends paid		(72,000)		(96,000)	
<b>Net cash used in financing activities</b>			<u>(1,838,108)</u>		<u>(1,949,274)</u>
<b>Net decrease in cash and cash equivalents</b>			<u>(157,318)</u>		<u>(371,926)</u>
Cash and cash equivalents at beginning of year			(1,060,000)		(688,074)
<b>Cash and cash equivalents at end of year</b>			<u><u>(1,217,318)</u></u>		<u><u>(1,060,000)</u></u>
<b>Relating to:</b>					
Bank overdrafts included in creditors payable within one year			<u><u>(1,217,318)</u></u>		<u><u>(1,060,000)</u></u>

# A & D TRANSPORT (NW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

#### Company information

A & D Transport (NW) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 60A Broad Lane, Collins Green, Warrington, Cheshire, WA5 4AB.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies

(Continued)

##### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

##### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes 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 an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

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, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements 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***

Basic financial liabilities, including creditors and bank loans 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 payment 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.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies

(Continued)

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.8 Equity instruments

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.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

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.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### 1.11 Retirement benefits

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.

#### 1.12 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.



## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

#### 1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018	2017
	£	£
<b>Turnover analysed by class of business</b>		
Sale of goods	10,199,196	8,368,102

#### 4 Operating profit

	2018	2017
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	551,887	455,462
Depreciation of tangible fixed assets held under finance leases	895,692	927,045
Profit on disposal of tangible fixed assets	(405)	(81,987)
Operating lease charges	9,414	9,592

#### 5 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	5,000	5,000
<b>For other services</b>		
All other non-audit services	13,250	15,741

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

#### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Distribution	58	62
Office and management	7	7
	<u>65</u>	<u>69</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,078,739	2,033,210
Social security costs	180,531	171,191
Pension costs	37,330	36,765
	<u>2,296,600</u>	<u>2,241,166</u>

#### 7 Director's remuneration

	2018 £	2017 £
Remuneration for qualifying services	8,055	8,215
Company pension contributions to defined contribution schemes	12,000	12,023
	<u>20,055</u>	<u>20,238</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

#### 8 Interest payable and similar expenses

	2018 £	2017 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	34,323	25,807
Interest on finance leases and hire purchase contracts	183,540	114,995
	<u>217,863</u>	<u>140,802</u>

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

#### 9 Taxation

	2018 £	2017 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	68,000	35,431
Adjustments in respect of prior periods	-	(5,423)
	<u>68,000</u>	<u>30,008</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,600	35,805
Changes in tax rates	-	(7,947)
	<u>7,600</u>	<u>27,858</u>
<b>Total tax charge</b>	<u>75,600</u>	<u>57,866</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	376,548	380,452
	<u>376,548</u>	<u>380,452</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	71,544	76,090
Tax effect of expenses that are not deductible in determining taxable profit	2,559	656
Adjustments in respect of prior years	-	(5,423)
Depreciation on assets not qualifying for tax allowances	2,249	1,265
Adjustment to reflect effective tax rate	(752)	(14,722)
	<u>75,600</u>	<u>57,866</u>
<b>Taxation charge for the year</b>	<u>75,600</u>	<u>57,866</u>

#### 10 Dividends

	2018 £	2017 £
Interim paid	72,000	96,000
	<u>72,000</u>	<u>96,000</u>

# A & D TRANSPORT (NW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 11 Tangible fixed assets

	Land and buildings Freehold	Plant and Fixtures, fittings & machinery	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2017	210,540	32,820	13,005,948	13,280,099
Additions	-	12,278	2,069,792	2,091,066
Disposals	-	-	(2,446,998)	(2,446,998)
At 31 March 2018	210,540	45,098	12,628,742	12,924,167
<b>Depreciation and impairment</b>				
At 1 April 2017	-	24,564	5,926,793	5,973,006
Depreciation charged in the year	4,211	9,165	1,430,579	1,447,579
Eliminated in respect of disposals	-	-	(1,823,134)	(1,823,134)
At 31 March 2018	4,211	33,729	5,534,238	5,597,451
<b>Carrying amount</b>				
At 31 March 2018	206,329	11,369	7,094,504	7,326,716
At 31 March 2017	210,540	8,256	7,079,156	7,307,095

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Motor vehicles	5,453,708	5,234,386
Depreciation charge for the year in respect of leased assets	895,692	927,045

### 12 Financial instruments

	2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,790,394	1,599,532
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	7,183,765	7,488,257

# A & D TRANSPORT (NW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 13 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,625,418	1,311,457
Prepayments and accrued income	233,683	310,075
	<u>1,859,101</u>	<u>1,621,532</u>

### 14 Creditors: amounts falling due within one year

	Notes	2018	2017
		£	£
Bank loans and overdrafts	16	1,225,452	1,070,000
Obligations under finance leases	17	1,711,802	1,899,089
Trade creditors		1,096,052	941,286
Corporation tax		68,000	35,431
Other taxation and social security		326,473	133,199
Other creditors		401,532	418,695
Accruals and deferred income		61,992	65,315
		<u>4,891,303</u>	<u>4,563,015</u>

### 15 Creditors: amounts falling due after more than one year

	Notes	2018	2017
		£	£
Bank loans and overdrafts	16	111,258	140,000
Obligations under finance leases	17	2,575,677	2,854,581
		<u>2,686,935</u>	<u>2,994,581</u>

### 16 Loans and overdrafts

	2018	2017
	£	£
Bank loans	119,392	150,000
Bank overdrafts	1,217,318	1,060,000
	<u>1,336,710</u>	<u>1,210,000</u>
Payable within one year	1,225,452	1,070,000
Payable after one year	111,258	140,000
	<u>1,336,710</u>	<u>1,210,000</u>

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

#### 16 Loans and overdrafts

(Continued)

Included in the overdraft figure is an amount of £926,423 under an invoice discounting facility with RBS Invoice Finance Limited which is secured by way of a debenture over the company's assets.

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

The bank loan is secured by way of a legal charge on Unit 1 Mulberry Avenue, Widnes, WA8 0WN.

#### 17 Finance lease obligations

	2018	2017
	£	£
Future minimum lease payments due under finance leases:		
Within one year	1,792,553	2,001,552
In two to five years	2,694,006	3,017,992
	<u>4,486,559</u>	<u>5,019,544</u>
Less: future finance charges	(199,080)	(265,874)
	<u>4,287,479</u>	<u>4,753,670</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets.

#### 18 Provisions for liabilities

	Notes	2018	2017
		£	£
Deferred tax liabilities	19	178,500	170,900
		<u>178,500</u>	<u>170,900</u>

#### 19 Deferred taxation

	Liabilities	Liabilities
	2018	2017
	£	£
Balances:		
Accelerated capital allowances	178,500	170,900
	<u>178,500</u>	<u>170,900</u>

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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#### 19 Deferred taxation (Continued)

	2018
Movements in the year:	£
Liability at 1 April 2017	170,900
Charge to profit or loss	7,600
	<hr/>
Liability at 31 March 2018	178,500
	<hr/>

#### 20 Retirement benefit schemes

	2018	2017
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	37,330	36,765
	<hr/>	<hr/>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### 21 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

#### 22 Directors' transactions

The company was under the control of Mr A S Brimble and Mrs D Brimble throughout the current and previous year. At 31 March 2018 there was a balance due to Mr A S Brimble, the company's sole director, amounting to £394,573 (2017 £418,695).

During the year there were interim dividends paid to the director of £36,000 (2017 £48,000) and Mrs D Brimble £36,000 (2017 £48,000).

## A & D TRANSPORT (NW) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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**23 Cash generated from operations**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	300,948	322,586
<b>Adjustments for:</b>		
Taxation charged	75,600	57,866
Finance costs	217,863	140,802
Gain on disposal of tangible fixed assets	(405)	(81,987)
Depreciation and impairment of tangible fixed assets	1,447,579	1,382,507
<b>Movements in working capital:</b>		
(Increase) in debtors	(237,569)	(394,128)
Increase in creditors	327,556	441,838
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>2,131,572</b>	<b>1,869,484</b>
	<hr/>	<hr/>



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