

Andrew Herron Transport Ltd
Unaudited Financial Statements
for the Year Ended 31 August 2022

Wylie Ruddell
Chartered Accountants
Armagh Business Centre
2 Loughgall Road
Armagh
BT61 7NH

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for the Year Ended 31 August 2022**

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Andrew Herron Transport Ltd

Company Information for the Year Ended 31 August 2022

Director: Mr Andrew Herron

Registered office: 171 Rathfriland Road
Dromara
Dromore
Co Down
BT25 2EG

Registered number: NI626030 (Northern Ireland)

Accountants: Wylie Ruddell
Chartered Accountants
Armagh Business Centre
2 Loughgall Road
Armagh
BT61 7NH

Statement of Financial Position
31 August 2022

		2022	2021
	Notes	£	£
Fixed assets			
Property, plant and equipment	4	158,231	197,789
Current assets			
Receivables	5	47,017	39,338
Cash at bank	6	4,338	3,604
		51,355	42,942
Payables			
Amounts falling due within one year	7	(79,377)	(66,813)
Net current liabilities		(28,022)	(23,871)
Total assets less current liabilities		130,209	173,918
Payables			
Amounts falling due after more than one year	8	(89,049)	(122,208)
Provisions for liabilities	9	(30,063)	(37,580)
Net assets		11,097	14,130
Capital and reserves			
Called up share capital	10	1	1
Retained earnings		11,096	14,129
Shareholders' funds		11,097	14,130

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of income and retained earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 11 May 2023 and were signed by:

Mr Andrew Herron - Director

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

1. Statutory information

Andrew Herron Transport Ltd is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue

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

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery - 20% on reducing balance

The carrying values of property, plant and equipment are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to profit and loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. Accounting policies - continued

Pension costs and other post-retirement benefits

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

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments:

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amounts owed by related parties and are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 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 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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and overdrafts and amounts owed to related parties 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

(iii) Offsetting

Financial assets and liabilities are offset and 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. Short term receivables are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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.

Receivables

Short term receivables are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. Accounting policies - continued

Payables

Short term payables are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are required when applying accounting policies. These 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 company makes estimates and assumptions concerning the future, which can involve a high degree of judgement or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The carrying amount of the assets is disclosed at Property, plant and equipment note and the useful economic lives for each class of asset is noted above.

3. Employees and directors

The average number of employees during the year was 1 (2021 - 1) .

4. Property, plant and equipment

	Plant and machinery £
Cost	
At 1 September 2021 and 31 August 2022	<u>351,503</u>
Depreciation	
At 1 September 2021	153,714
Charge for year	<u>39,558</u>
At 31 August 2022	<u>193,272</u>
Net book value	
At 31 August 2022	<u>158,231</u>
At 31 August 2021	<u>197,789</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

4. **Property, plant and equipment - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
Cost	
At 1 September 2021 and 31 August 2022	<u>139,000</u>
Depreciation	
At 1 September 2021	6,950
Charge for year	<u>26,410</u>
At 31 August 2022	<u>33,360</u>
Net book value	
At 31 August 2022	<u>105,640</u>
At 31 August 2021	<u>132,050</u>

5. **Receivables: amounts falling due within one year**

	2022	2021
	£	£
Trade receivables	45,730	38,580
Other receivables	<u>1,287</u>	<u>758</u>
	<u>47,017</u>	<u>39,338</u>

6. **Cash at bank**

	2022	2021
	£	£
Cash at bank and in hand	<u>4,338</u>	<u>3,604</u>

7. **Payables: amounts falling due within one year**

	2022	2021
	£	£
Bank loans and overdrafts	9,808	9,566
Hire purchase contracts	23,351	29,601
Trade payables	18,352	12,872
Taxation and social security	11,389	9,404
Other payables	<u>16,477</u>	<u>5,370</u>
	<u>79,377</u>	<u>66,813</u>

8. **Payables: amounts falling due after more than one year**

	2022	2021
	£	£
Bank loans	28,271	38,079
Hire purchase contracts	<u>60,778</u>	<u>84,129</u>
	<u>89,049</u>	<u>122,208</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

9. Provisions for liabilities

	2022 £	2021 £
Deferred tax		
Capital allowances	<u>30,063</u>	<u>37,580</u>
		Deferred tax
		£
Balance at 1 September 2021		37,580
Provided during year		(7,517)
Balance at 31 August 2022		<u>30,063</u>

10. Called up share capital

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2022 £	2021 £
1	Ordinary shares	1	<u>1</u>	<u>1</u>

11. Director's advances, credits and guarantees

The following loan to the company from a director subsisted during the years ended 31 August 2022 and 31 August 2021:

	2022 £	2021 £
Mr Andrew Herron		
Balance outstanding at start of year	(3)	3,313
Amounts advanced	53,173	94,891
Amounts repaid	(40,933)	(98,207)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>12,237</u>	<u>(3)</u>

12. Ultimate controlling party

The ultimate controlling party is Mr Andrew Herron.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.