

REGISTERED NUMBER: SC146191 (Scotland)

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
JBT DISTRIBUTION LIMITED**

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

	Page
Company Information	1
Strategic Report	2
Directors' Report	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

JBT DISTRIBUTION LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:

M M Beveridge
D W Carmichael
R I Gordon
I Wilson

SECRETARY:

Morton Fraser Secretaries Limited

REGISTERED OFFICE:

41 Inchmuir Road
Whitehill Industrial Estate
Bathgate
West Lothian
EH48 2EP

REGISTERED NUMBER:

SC146191 (Scotland)

AUDITORS:

Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

Turnover for the year was £25.9m (2018: £24.8m), an increase on the previous year of 4.5%. This has been achieved whilst the gross margin has decreased slightly to 20.4% (2018: 21.1%).

Profit before tax for the year remained consistent at £1.7m (2018: £1.7m).

Looking forward:

JBT Distribution Limited continues to focus on the Scottish marketplace, providing a wide range of transport and warehousing services to customers seeking a solution to, from, or within Scotland.

Market conditions, however, remain challenging, and the business continues to focus on cash generation and profitability, providing a solid platform for future growth.

FINANCIAL RISK MANAGEMENT AND OBJECTIVES AND POLICIES

The Company make little use of financial instruments other than an operational banking and invoice discounting facility, and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities, financial position and profit or loss of the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the main risk facing the Company as being the competition from other companies within the industry. The directors believe that the reputation of the Company and the quality of the services provided will mitigate this risk.

ON BEHALF OF THE BOARD:

I Wilson - Director

26 September 2019

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the Company for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the year under review were those of road haulage, warehousing and distribution throughout the United Kingdom.

DIVIDENDS

During the year dividends of £1,275,017 (2018: £1,397,000) were paid to the shareholder.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

M M Beveridge
D W Carmichael
R I Gordon
I Wilson

CHARITABLE DONATIONS AND EXPENDITURE

During the year the Company made donations of £9,045 (2018: £11,420) to local charities.

DISABLED EMPLOYEES

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

EMPLOYEE INVOLVEMENT

During the year, the policy of providing employees with information about the Company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the Company's performance. Regular meetings are held between management and employees to allow a free flow of information and ideas.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

AUDITORS

The auditors, Consilium Audit Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

I Wilson - Director

26 September 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
JBT DISTRIBUTION LIMITED**

Opinion

We have audited the financial statements of JBT Distribution Limited (the 'Company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
JBT DISTRIBUTION LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

30 September 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

		2019		2018	
	Notes	£	£	£	£
TURNOVER	3		25,917,661		24,810,251
Cost of sales			20,633,285		19,575,785
GROSS PROFIT			5,284,376		5,234,466
Distribution costs		972,889		990,606	
Administrative expenses		2,529,233		2,463,989	
			3,502,122		3,454,595
OPERATING PROFIT	5		1,782,254		1,779,871
Interest payable and similar expenses	6		(108,965)		(101,419)
PROFIT BEFORE TAXATION			1,673,289		1,678,452
Tax on profit	7		297,345		317,779
PROFIT FOR THE FINANCIAL YEAR			1,375,944		1,360,673
OTHER COMPREHENSIVE INCOME					
Deferred tax movement on revalued assets			-		2,886
Income tax relating to other comprehensive income			-		-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX			-		2,886
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			1,375,944		1,363,559

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	9		2,223,135		2,063,166
CURRENT ASSETS					
Stocks	10	18,982		25,441	
Debtors	11	5,709,713		5,319,387	
Cash at bank		<u>2,099,595</u>		<u>1,841,152</u>	
		7,828,290		7,185,980	
CREDITORS					
Amounts falling due within one year	12	<u>7,993,733</u>		<u>7,377,080</u>	
NET CURRENT LIABILITIES			(165,443)		(191,100)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,057,692		1,872,066
CREDITORS					
Amounts falling due after more than one year	13		(501,048)		(417,438)
PROVISIONS FOR LIABILITIES	16		<u>(97,176)</u>		<u>(96,087)</u>
NET ASSETS			<u>1,459,468</u>		<u>1,358,541</u>
CAPITAL AND RESERVES					
Called up share capital	17		585,000		585,000
Revaluation reserve	18		204,529		208,311
Retained earnings	18		<u>669,939</u>		<u>565,230</u>
SHAREHOLDERS' FUNDS			<u>1,459,468</u>		<u>1,358,541</u>

The financial statements were approved by the Board of Directors on 26 September 2019 and were signed on its behalf by:

I Wilson - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2017	585,000	598,075	209,207	1,392,282
Changes in equity				
Dividends	-	(1,397,300)	-	(1,397,300)
Total comprehensive income	-	1,360,673	2,886	1,363,559
Transfer from revaluation reserve	-	3,782	(3,782)	-
Balance at 31 March 2018	<u>585,000</u>	<u>565,230</u>	<u>208,311</u>	<u>1,358,541</u>
Changes in equity				
Dividends	-	(1,275,017)	-	(1,275,017)
Total comprehensive income	-	1,375,944	-	1,375,944
Transfer from revaluation reserve	-	3,782	(3,782)	-
Balance at 31 March 2019	<u>585,000</u>	<u>669,939</u>	<u>204,529</u>	<u>1,459,468</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. **STATUTORY INFORMATION**

JBT Distribution Limited is a private company, limited by shares, registered in Scotland. 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" ("FRS 102") and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine whether leases entered into by the Company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.

Turnover

The turnover shown in the Statement of Comprehensive Income represents the value of all services delivered at a selling price exclusive of Value Added Tax. Turnover is recognised on completion of the service provided.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Tangible fixed assets (excluding heritable property) are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Heritable property is stated at valuation less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Heritable property	
- Properties	2% straight line
- Site improvements	25% straight line
Motor vehicles	
- Trucks	15%, 25% and 33.3% straight line
- Cars	25% and 33.3% straight line
- Trailers	10% and 20% straight line
Plant and machinery	10%, 20% and 25% straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to retained earnings.

Stocks

Stocks are valued at the lower of cost (comprising purchase price) and net realisable value.

Financial instruments

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

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES - continued**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

Current tax

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

Deferred tax

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

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

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

Hire purchase & leasing commitments

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the Statement of Comprehensive Income on a straight line basis.

Pension costs

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year. The assets of the scheme are held separately from those of the Company in an independently administered fund.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the Company.

An analysis of turnover by geographical market is given below:

	2019	2018
	£	£
United Kingdom	25,917,661	24,810,251
	<u>25,917,661</u>	<u>24,810,251</u>

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	7,814,344	7,087,921
Social security costs	721,385	617,290
Other pension costs	155,275	93,752
	<u>8,691,004</u>	<u>7,798,963</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

4. EMPLOYEES AND DIRECTORS - continued

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

	2019	2018
Distribution staff	259	240
Administrative staff	64	63
	<u>323</u>	<u>303</u>

	2019	2018
	£	£
Directors' remuneration	169,867	157,951
Directors' pension contributions to money purchase schemes	<u>22,905</u>	<u>22,905</u>

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

Money purchase schemes	<u>4</u>	<u>4</u>
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5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	331,641	403,799
Depreciation - assets on hire purchase contracts	338,837	217,213
Profit on disposal of fixed assets	(28,022)	(14,384)
Auditors' remuneration	12,900	12,900
Write off of intercompany loan	(35,000)	-
Operating leases	<u>2,622,088</u>	<u>2,542,239</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest	78,451	78,155
Interest on corporation tax	3,024	38
Hire purchase interest	<u>27,490</u>	<u>23,226</u>
	<u>108,965</u>	<u>101,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

7. TAXATION

Analysis of the tax charge

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

	2019 £	2018 £
Current tax:		
UK corporation tax	296,256	339,913
Under provision in prior year	-	1,163
Total current tax	<u>296,256</u>	<u>341,076</u>
Deferred tax	1,089	(23,297)
Tax on profit	<u>297,345</u>	<u>317,779</u>

Reconciliation of total tax charge included in profit and loss

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

	2019 £	2018 £
Profit before tax	<u>1,673,289</u>	<u>1,678,452</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	317,925	318,906
Effects of:		
Expenses not deductible for tax purposes	3,735	4,353
Income not taxable for tax purposes	(6,650)	-
Adjustments to tax charge in respect of previous periods	-	1,163
Group relief	(27,168)	(11,869)
Depreciation on non-qualifying assets	9,503	9,265
Deferred tax at lower rate	-	(4,039)
Total tax charge	<u>297,345</u>	<u>317,779</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2019.

	Gross £	2018 Tax £	Net £
Deferred tax movement on revalued assets	<u>2,886</u>	<u>-</u>	<u>2,886</u>

8. DIVIDENDS

	2019 £	2018 £
Ordinary shares of £1 each		
Paid in year	<u>1,275,017</u>	<u>1,397,300</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

9. TANGIBLE FIXED ASSETS

	Heritable property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 April 2018	480,894	1,266,839	3,317,819	5,065,552
Additions	17,424	304,466	563,395	885,285
Disposals	-	-	(406,965)	(406,965)
At 31 March 2019	<u>498,318</u>	<u>1,571,305</u>	<u>3,474,249</u>	<u>5,543,872</u>
DEPRECIATION				
At 1 April 2018	103,298	862,016	2,037,072	3,002,386
Charge for year	18,281	227,443	424,754	670,478
Eliminated on disposal	-	-	(352,127)	(352,127)
At 31 March 2019	<u>121,579</u>	<u>1,089,459</u>	<u>2,109,699</u>	<u>3,320,737</u>
NET BOOK VALUE				
At 31 March 2019	<u>376,739</u>	<u>481,846</u>	<u>1,364,550</u>	<u>2,223,135</u>
At 31 March 2018	<u>377,596</u>	<u>404,823</u>	<u>1,280,747</u>	<u>2,063,166</u>

The Company's heritable property was valued on 8 February 2013 by Ryden LLP, Chartered Surveyors, on an open market value for existing use basis. The property was valued at £325,000 and is included in the financial statements at this value.

It is the Company's intention to retain the property for the foreseeable future.

In respect of certain fixed assets stated at valuation, the comparable historical cost and depreciation values are as follows:

	2019	2018
£ £		
Cost	<u>99,585</u>	<u>99,585</u>
Aggregate depreciation	<u>55,472</u>	<u>53,480</u>

Hire purchase agreements

Included within the net book value is £1,227,529 (2018: £1,034,590) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £338,837 (2018: £217,213).

10. STOCKS

	2019 £	2018 £
Fuel stocks	<u>18,982</u>	<u>25,441</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	4,896,798	4,263,194
Amounts owed by group undertakings	8,147	255,017
Other debtors	21,391	31,508
Prepayments and accrued income	<u>783,377</u>	<u>769,668</u>
	<u>5,709,713</u>	<u>5,319,387</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 14)	411,829	334,174
Trade creditors	2,039,346	1,960,060
Amounts owed to group undertakings	-	81,313
Tax	299,280	175,181
Social security and other taxes	207,298	161,512
VAT	486,069	429,412
Other creditors	3,968,233	3,372,450
Accruals and deferred income	581,678	862,978
	<u>7,993,733</u>	<u>7,377,080</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 14)	<u>501,048</u>	<u>417,438</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Gross obligations repayable:		
Within one year	436,942	356,406
Between one and five years	<u>539,326</u>	<u>439,884</u>
	<u>976,268</u>	<u>796,290</u>
Finance charges repayable:		
Within one year	25,113	22,232
Between one and five years	<u>38,278</u>	<u>22,446</u>
	<u>63,391</u>	<u>44,678</u>
Net obligations repayable:		
Within one year	411,829	334,174
Between one and five years	<u>501,048</u>	<u>417,438</u>
	<u>912,877</u>	<u>751,612</u>
	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	1,167,065	1,505,856
Between one and five years	1,845,772	2,271,016
In more than five years	<u>460,000</u>	<u>920,000</u>
	<u>3,472,837</u>	<u>4,696,872</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

15. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	912,877	751,612
Other creditors	3,839,569	3,230,334
	<u>4,752,446</u>	<u>3,981,946</u>

The hire purchase creditor balances are secured over the assets to which they relate.

Included within other creditors is £3,839,569 (2018: £3,230,334) in respect of an invoice discounting facility, which is secured over the trade debtors of the Company.

16. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	70,159	66,229
Other timing differences	(5,481)	(2,640)
Revaluation of property	32,498	32,498
	<u>97,176</u>	<u>96,087</u>
		Deferred tax
		£
Balance at 1 April 2018		96,087
Charge to Statement of Comprehensive Income during year		1,089
Balance at 31 March 2019		<u>97,176</u>

The net deferred tax liability expected to reverse next year is £70,000. This primarily relates to the reversal of timing differences on capital allowances offset by the reversal of other timing differences.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
585,000	Ordinary	£1	<u>585,000</u>	<u>585,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

18. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2018	565,230	208,311	773,541
Profit for the year	1,375,944	-	1,375,944
Dividends	(1,275,017)	-	(1,275,017)
Transfer from revaluation reserve	3,782	(3,782)	-
At 31 March 2019	<u>669,939</u>	<u>204,529</u>	<u>874,468</u>

19. ULTIMATE PARENT COMPANY

Lister Square (No.4) Limited is regarded by the directors as being the Company's ultimate parent company.

The smallest and largest group of companies for which group financial statements are prepared is Lister Square (No.4) Limited. Copies of the group financial statements are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

20. CONTINGENT LIABILITIES

The Company has a cross company guarantee arrangement with the other group and related companies under which the Company guarantees the obligations of the others to the groups bankers without limit. As at the balance sheet date other group company obligations amounted to £583,333 (2018: £983,333).

21. RELATED PARTY DISCLOSURES

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with its parent and other subsidiaries within the group.

Transactions with related parties include:

	2019	2018
£	£	
Rental costs paid to connected company	460,000	460,000
Amounts owed from connected company	500,000	500,000

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

22. ULTIMATE CONTROLLING PARTY

The Company is under the control of the directors by virtue of their controlling interest in the ultimate parent undertaking. No individual shareholder has a controlling interest.

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.