REGISTERED NUMBER: SC067039 (Scotland)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2018

FOR

DYCE CARRIERS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

DYCE CARRIERS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2018

DIRECTORS:	J D W Moir Mrs C K Moir
SECRETARY:	Mrs C K Moir
REGISTERED OFFICE:	Commercial House 2 Rubislaw Terrace Aberdeen AB10 1XE
REGISTERED NUMBER:	SC067039 (Scotland)
SENIOR STATUTORY AUDITOR:	Susan M Hepburn CA ATT
AUDITORS:	Leiper & Summers Statutory Auditors 4 Charlotte Street Fraserburgh Aberdeenshire AB43 9JE

STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2018

The directors present their strategic report for the year ended 31 January 2018.

The company's principal activity is that of road hauliers within the UK. There have not been any significant changes in the company's principal activity during the year under review and at the date of signing this report, the directors have no plans to change the trade in the future.

REVIEW OF BUSINESS
Dyce Carriers have strategically given itself a strong foothold in a very competitive market, both in Aberdeen and Nationally. Using the depot in Dalgety Bay as a central hub, we are able to operate next day services throughout the UK. In addition to our day to day deliveries we work in conjunction with our business partners nationwide enabling us to offer deliveries in Ireland, Isle of Man and the Benelux Region. The Alness depot is still operational with a minimal fleet to supply the emerging renewables and decommissioning market within The Highlands. The depot has a minimal fleet due to the current downturn in the oil industry and we still firmly believe having a presence in the area is still a benefit to the business. We believe the recent down turn within the oil and gas sector has stabilised and is slowly recovering. With this, we have seen a small increase in turnover and are optimistic this will continue, however, Brexit will have an unknown effect. Dyce Carriers operates an effective, efficient and excellent service which has helped generate a diverse customer portfolio and resulted in us obtaining a strong, competitive reputation within the industry.

The company's objectives are to keep supplying our current customer base with an exemplary service at competitive prices. We are constantly looking to expand our customer base, however, we understand that in the current climate new customers are not in abundance. Using our distinctive and modern fleet of vehicles as a unique marketing strategy, we continue to keep a high presence within the haulage sector.

The company has continued to reinvest in the fleet and asset investment can be seen on page 18 which was funded from working capital and new finance agreements. The capital investment, along with utilising our mechanics in all depots, results in maintaining a healthy fleet which allows us to deliver a high standard of service to our customers and help reduce the associated fleet maintenance costs. Continued investment into computer hardware and software as well as up to date tracking devices allows us to work more efficiently and effectively to streamline our operation.

The company has seen a small increase in sales by 1% against 2017 and an improved gross margin. The overall financial performance can be seen from review of the Income Statement on page 6. The company's cash position has remained strong and this can be seen on the Cash Flow Statement on page 10.

PRINCIPAL RISKS AND UNCERTAINTIES
The construction industry remains buoyant and we are currently seeing marginal improvements within the oil and gas sector, therefore utilising the fleet to a higher capacity.

As Directors we are aware of the fact that the oil and gas sector is very much in the early stages of recovery. However, by continuing to diversify we feel we have a firm grasp on the situation and the company is in an excellent position to continue in a positive and productive manner. We are immensely proud of the exemplary service we provide at a competitive price thus staying one step ahead of the competition, whilst satisfying the customers' needs.

The directors manage the cash and borrowing requirements of the business in house in order to maximise interest income and minimise interest expense, whilst ensuring there are sufficient liquid resources to meet the operating needs of the business.

ON BEHALF OF THE BOARD:

J D W Moir - Director

29 October 2018

DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2018

The directors present their report with the financial statements of the company for the year ended 31 January 2018.

DIVIDENDS
The total distribution of dividends for the year ended 31 January 2018 will be £40,000.

FUTURE DEVELOPMENTS
The directors continue to assess the fleet and review the requirements for future capital investment.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 February 2017 to the date of this report.

J D W Moir
Mrs C K Moir

DONATIONS
The company made charitable donations during the year of £4,425 (2017 - £1,804).

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). 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.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Leiper & Summers, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J D W Moir - Director

29 October 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DYCE CARRIERS LIMITED

Opinion
We have audited the financial statements of Dyce Carriers Limited (the 'company') for the year ended 31 January 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 January 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 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 Report of the Directors, 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 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DYCE CARRIERS LIMITED

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 Report of the Directors.

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.

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.

SM Hepburn

Susan M Hepburn CA ATT (Senior Statutory Auditor)
for and on behalf of Leiper & Summers
Statutory Auditors
4 Charlotte Street
Fraserburgh
Aberdeenshire
AB43 9JE

Date: 29/10/2018

DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)

INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 £
TURNOVER	4	9,963,022	9,839,689
Cost of sales		8,253,845	8,441,437
GROSS PROFIT		1,709,177	1,398,252
Administrative expenses		1,480,467	1,564,910
		228,710	(166,658)
Other operating income		9,595	10,425
OPERATING PROFIT/(LOSS)	6	238,305	(156,233)
Interest receivable and similar income		158	413
		238,463	(155,820)
Interest payable and similar expenses	7	41,018	54,648
PROFIT/(LOSS) BEFORE TAXATION		197,445	(210,468)
Tax on profit/(loss)	8	(1,264)	(36,873)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		198,709	(173,595)

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 £
PROFIT/(LOSS) FOR THE YEAR		198,709	(173,595)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		198,709	(173,595)

The notes form part of these financial statements

BALANCE SHEET
31 JANUARY 2018

		2018		2017	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		3,972,755		3,773,206
CURRENT ASSETS					
Stocks	11	36,758		38,523	
Debtors	12	2,006,263		1,701,498	
Cash at bank and in hand		1,059,900		1,269,140	
		3,102,921		3,009,161	
CREDITORS					
Amounts falling due within one year	13	1,505,839		1,508,106	
NET CURRENT ASSETS			1,597,082		1,501,055
TOTAL ASSETS LESS CURRENT LIABILITIES			5,569,837		5,274,261
CREDITORS					
Amounts falling due after more than one year	14		(983,418)		(829,581)
PROVISIONS FOR LIABILITIES	18		(206,451)		(223,421)
NET ASSETS			4,379,968		4,221,259
CAPITAL AND RESERVES					
Called up share capital	19		182		182
Revaluation reserve	20		398,148		380,778
Capital redemption reserve	20		22		22
Retained earnings	20		3,981,616		3,840,277
SHAREHOLDERS' FUNDS			4,379,968		4,221,259

The financial statements were approved by the Board of Directors on 29 October 2018 and were signed on its behalf by:

J D W Moir - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2018

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 February 2016	182	4,027,980	386,670	22	4,414,854
Changes in equity					
Dividends	-	(20,000)	-	-	(20,000)
Total comprehensive income	-	(167,703)	(5,892)	-	(173,595)
Balance at 31 January 2017	182	3,840,277	380,778	22	4,221,259
Changes in equity					
Dividends	-	(40,000)	-	-	(40,000)
Total comprehensive income	-	181,339	17,370	-	198,709
Balance at 31 January 2018	182	3,981,616	398,148	22	4,379,968

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	325,021	637,611
Interest paid		(20,680)	(24,704)
Interest element of hire purchase payments paid		(20,338)	(29,944)
Net cash from operating activities		284,003	582,963
Cash flows from investing activities			
Purchase of tangible fixed assets		(809,699)	(653,514)
Sale of tangible fixed assets		73,000	336,145
Interest received		158	413
Net cash from investing activities		(736,541)	(316,956)
Cash flows from financing activities			
New loans in year		791,063	524,114
Loan repayments in year		(84,113)	(96,443)
Capital repayments in year		(421,044)	(674,469)
Amount withdrawn by directors		(2,608)	(3,998)
Equity dividends paid		(40,000)	(20,000)
Net cash from financing activities		243,298	(270,796)
Decrease in cash and cash equivalents		(209,240)	(4,789)
Cash and cash equivalents at beginning of year	2	1,269,140	1,273,929
Cash and cash equivalents at end of year	2	1,059,900	1,269,140

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2018

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit/(loss) before taxation	197,445	(210,468)
Depreciation charges	537,009	504,380
Loss on disposal of fixed assets	140	144,119
Finance costs	41,018	54,648
Finance income	(158)	(413)
	775,454	492,266
Decrease in stocks	1,765	7,329
(Increase)/decrease in trade and other debtors	(303,535)	488,486
Decrease in trade and other creditors	(148,663)	(350,470)
Cash generated from operations	325,021	637,611

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 January 2018

	31.1.18	1.2.17
	£	£
Cash and cash equivalents	1,059,900	1,269,140

Year ended 31 January 2017

	31.1.17	1.2.16
	£	£
Cash and cash equivalents	1,269,140	1,273,929

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

1. **COMPANY INFORMATION**

Dyce Carriers Limited is a company limited by shares incorporated in Scotland. The registered office is Commercial House, 2 Rubislaw Terrace, Aberdeen, AB10 1XE.

2. **STATUTORY INFORMATION**

Dyce Carriers 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.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Significant judgements and estimates
In the application of the company's accounting policies, directors are 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.

Turnover
Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets
Tangible fixed assets other than freehold land are stated at cost less depreciation. 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:

Freehold property - 2% Straight line
Plant and machinery - 15 to 20% 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.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 balance sheet date.

continued...

3. ACCOUNTING POLICIES - continued

Taxation
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 and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or 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.

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.

Rents received
Rent received in respect of land owned by the company is accounted for in the period to which it relates.

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

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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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3. **ACCOUNTING POLICIES - continued**

Impairment of fixed assets
At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents
Cash and cash equivalents 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.

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 statement of financial position 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 trade and other receivables 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.

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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

 continued...

3. **ACCOUNTING POLICIES - continued**

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 trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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.

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

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.

continued...

4. TURNOVER

The turnover and profit (2017 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business for the year ended 31 January 2017 is given below:

	£
Haulage	9,839,689
	9,839,689

This analysis is not considered to be applicable to the year ended 31 January 2018.

An analysis of turnover by geographical market for the year ended 31 January 2017 is given below:

	£
United Kingdom	9,839,689
	9,839,689

This analysis is not considered to be applicable to the year ended 31 January 2018.

5. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	3,104,592	3,294,765
Social security costs	295,213	311,519
Other pension costs	45,864	59,420
	3,445,669	3,665,704

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

	2018	2017
Directors	2	2
Administration	5	5
Logistics	8	10
Drivers	67	72
Mechanics and yard	3	4
	85	93

	2018 £	2017 £
Directors' remuneration	61,586	64,720
Directors' pension contributions to money purchase schemes	13,000	24,000

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

Money purchase schemes	2	2

continued...

6. OPERATING PROFIT/(LOSS)

The operating profit (2017 - operating loss) is stated after charging:

	2018	2017
	£	£
Hire of plant and machinery	877,857	819,058
Depreciation - owned assets	265,367	330,184
Depreciation - assets on hire purchase contracts	271,643	174,196
Loss on disposal of fixed assets	140	144,119
Auditors' remuneration	8,500	8,000

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank interest	771	61
Bank loan interest	19,909	24,643
Hire purchase	20,338	29,944
	41,018	54,648

8. TAXATION

Analysis of the tax credit
The tax credit on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	15,705	-
Deferred tax	(16,969)	(36,873)
Tax on profit/(loss)	(1,264)	(36,873)

Reconciliation of total tax credit 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:

	2018	2017
	£	£
Profit/(loss) before tax	197,445	(210,468)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19.161% (2017 - 20%)	37,832	(42,094)
Effects of:		
Expenses not deductible for tax purposes	1,604	2,725
Depreciation in excess of capital allowances	2,247	5,102
Utilisation of tax losses	(26,005)	5,443
(Gain)/Loss on disposal of fixed assets	27	28,824
Deferred tax charge	(16,969)	(36,873)
Total tax credit	(1,264)	(36,873)

continued...

8. TAXATION - continued

The UK corporation tax rate was reduced from 20% to 19% effective 1 April 2017 and deferred tax assets/liabilities have been remeasured using the rates substantively enacted at 31 January 2018.

9. DIVIDENDS

	2018	2017
	£	£
Ordinary shares of £1 each		
Interim	40,000	20,000

10. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Totals
	£	£	£
COST			
At 1 February 2017	1,570,579	5,476,157	7,046,736
Additions	-	809,699	809,699
Disposals	-	(388,560)	(388,560)
At 31 January 2018	1,570,579	5,897,296	7,467,875
DEPRECIATION			
At 1 February 2017	153,790	3,119,740	3,273,530
Charge for year	9,338	527,672	537,010
Eliminated on disposal	-	(315,420)	(315,420)
At 31 January 2018	163,128	3,331,992	3,495,120
NET BOOK VALUE			
At 31 January 2018	1,407,451	2,565,304	3,972,755
At 31 January 2017	1,416,789	2,356,417	3,773,206

The freehold property subject to the revaluation reserve was valued by J & E Shepherd, Chartered Surveyors on 17th July 2013 at £1,100,000 on the basis of an open market valuation for existing use. The comparative historical cost for the freehold property included in the valuation is £577,675 (2017 - £577,675). Freehold property includes additional land not included in the 17th July 2013 valuation and the directors feel there is no change in the value of the additional land from the original cost of £594,756 (2017 - £594,756). Accumulated historical cost amounts to £1,172,431 (2017 - £1,172,431). The revaluation reserve prior to movements for deferred tax amounts to £398,148 (2017 - £398,148).

continued...

10. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery £
COST	
At 1 February 2017	1,272,022
Additions	723,020
Transfer to ownership	(70,550)
At 31 January 2018	1,924,492
DEPRECIATION	
At 1 February 2017	296,365
Charge for year	271,643
Transfer to ownership	(20,389)
At 31 January 2018	547,619
NET BOOK VALUE	
At 31 January 2018	1,376,873
At 31 January 2017	975,657

11. STOCKS

	2018 £	2017 £
Stocks	36,758	38,523

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	1,683,125	1,529,332
Other debtors	134,658	12,500
Directors' current accounts	1,230	-
Prepayments and accrued income	187,250	159,666
	2,006,263	1,701,498

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts (see note 15)	70,641	84,130
Hire purchase contracts (see note 16)	487,002	341,444
Trade creditors	596,371	666,814
Tax	15,705	-
Social security and other taxes	86,404	68,774
VAT	73,647	147,481
Other creditors	112,318	115,417
Directors' current accounts	-	1,378
Accrued expenses	63,751	82,668
	1,505,839	1,508,106

continued...

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

	2018	2017
	£	£
Bank loans (see note 15)	318,356	388,980
Hire purchase contracts (see note 16)	665,062	440,601
	983,418	829,581

15. LOANS

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank loans	70,641	84,130
Amounts falling due between two and five years:		
Bank loans - 2-5 years	288,443	327,429
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	29,913	61,551

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Gross obligations repayable:		
Within one year	512,184	357,916
Between one and five years	704,896	463,628
	1,217,080	821,544
Finance charges repayable:		
Within one year	25,182	16,472
Between one and five years	39,834	23,027
	65,016	39,499
Net obligations repayable:		
Within one year	487,002	341,444
Between one and five years	665,062	440,601
	1,152,064	782,045

continued...

16. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	81,928	86,972
Between one and five years	1,524,557	1,247,181
	1,606,485	1,334,153

17. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loans	388,997	473,110
Hire purchase contracts	1,152,064	782,045
	1,541,061	1,255,155

The bank overdraft and loans are secured over the freehold premises and land at 15 and 32 Kirkton Avenue, Pitmedden Road Industrial Estate, Dyce, Aberdeen, AB21 0BF and a bond and floating charge over the assets of the company.

18. PROVISIONS FOR LIABILITIES

	2018	2017
	£	£
Deferred tax	206,451	223,421

	Deferred tax
	£
Balance at 1 February 2017	223,421
Accelerated capital allowances	(34,339)
Revaluation reserve	17,369
Balance at 31 January 2018	206,451

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
182	Ordinary	£1	182	182

continued...

20. RESERVES

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 February 2017	3,840,277	380,778	22	4,221,077
Profit for the year	198,709			198,709
Dividends	(40,000)			(40,000)
Deferred tax on revaluation	(17,370)	17,370	-	-
At 31 January 2018	3,981,616	398,148	22	4,379,786

21. PENSION COMMITMENTS

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.

At the balance sheet date, unpaid contributions of £2,595 (2017 - £1,217) were due to the fund and are included within Other creditors. The charge to the profit and loss in respect of defined contribution schemes was £45,864 (2017 - £59,420).

22. CAPITAL COMMITMENTS

	2018 £	2017 £
Contracted but not provided for in the financial statements	284,055	245,050

23. RELATED PARTY DISCLOSURES

During the year, total dividends of £40,000 (2017 - £20,000) were paid to the directors.

Included within Directors' current accounts are loans due to the company by the directors, J D W Moir £615 (2017 - £689 due to director) and Mrs C K Moir £615 (2017 - £689 due to director).

24. ULTIMATE CONTROLLING PARTY

The controlling party is the directors who beneficially own all the company's shares.