

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024  
FOR  
BCD LOGISTICS LTD

RFM Audit Services LLP, Statutory Auditor  
Unit 1, Guest House Farm  
Runshaw Lane  
Euxton  
Chorley  
Lancashire  
PR7 6HD

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FOR THE YEAR ENDED 30 JUNE 2024

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**BCD LOGISTICS LTD**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2024**

<b>DIRECTORS:</b>	Mr G W Bethel Mr M Dixon
<b>REGISTERED OFFICE:</b>	Cedar House 123 Worsley Road Manchester Greater Manchester M28 2WG
<b>BUSINESS ADDRESS:</b>	c/o The Green Group Barton Dock Road Trafford Park Manchester M32 0ZG
<b>REGISTERED NUMBER:</b>	08951921 (England and Wales)
<b>AUDITORS:</b>	RFM Audit Services LLP, Statutory Auditor Unit 1, Guest House Farm Runshaw Lane Euxton Chorley Lancashire PR7 6HD

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

The directors present their strategic report for the year ended 30 June 2024.

**REVIEW OF BUSINESS**

During the year, volume of work increased but workflows were not as consistent as previous years and there have been some reductions in rates. Turnover increased in the year due to the increase in volume however this was suppressed by the reduced rates and reduction in fuel surcharges due to the fall in fuel prices. The years trading shows another solid year, with strong performance and high levels of liquidity. Continuing our focus on strong customer relations, with a growth of the customer base and high service levels has enabled the company to continue to build year on year.

Our ongoing improvements in operational performance and efficiencies and continued investment in our work force is the foundation of our ongoing success. Also, continued investment in our fleet and technology advances remain a lead policy to help drive ongoing efficiencies.

Another year of strong trading performance has improved company liquidity even further and has enabled significant reductions in gearing levels.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The two main risks to the business remain the same, consistency of workflows delivered from sea and downward rate pressure.

During 2024 there were signs of a cooling market and fluctuating volumes caused by little growth and global unrest. Where inflation has started to ease, the cost of living is an ongoing problem, resulting in reduced consumer demand. The industry experienced downward rate pressure from some shipping lines which is impacting smaller hauliers in the industry and may lead to reduced capacity.

Focus on growth of locally based hubs has continued to help reduce the impact of sea volume fluctuations but strong competition within the industry, service level expectations and VOSA compliance are always in the forefront of daily business risks and uncertainties.

Reduced fuel prices during the year reduces turnover but pricing structures are in place to address this risk and are key to maintaining company performance during fuel price fluctuations.

Compliance with VOSA road safety is paramount within the company's ethos, with further investment in telematics as well as in the overall fleet. We demand high standards from commercial partners and our compliance staff. This approach is proving successful, with the company continuing to achieve all Green VOSA scores.

The investment in JME Transport & Distribution Ltd is still considered to be beneficial to the company, bringing diversification into the general haulage market. The loan made to JME Transport & Distribution Ltd has been prudently provided against within the accounts, however, the Directors continue to expect this will be repaid, all be it over a prolonged period. It has not been deemed necessary to increase the provision in the current year's accounts.

**DEVELOPMENT AND PERFORMANCE**

The company will continue to work with its existing and future customer base to generate consistent workflow, performance, profit and growth. Local hubs will continue to be developed to help smooth fluctuating volumes. The fleet renewal plans are ongoing, building flexibility, within a more advanced fleet. The company's liquidity position has improved year on year, putting the company in a very stable position and the Directors strongly believe the company will continue to grow in 2025.

The company is currently working with suppliers and testing greener more fuel efficient vehicles and alternative fuels.

Ongoing investment in our workforce and fleet and growth of our customer base, allied with a strong management team are helping to build a strong and sustainable future for the company.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2024**

**FINANCIAL KEY PERFORMANCE INDICATORS**

The financial key performance indicators used by the company to assess performance are as follows:

- Turnover grew by 2.5% when compared to 2023. This was due to increased volumes but reduced rates (in some cases) and reduced fuel surcharges, suppressed the total value of the volume growth.
- Gross Profit Margin remained strong at 27%.
- Current liquidity improved for the 4th year in a row, showing current assets at over 4 times current liabilities.
- Overall company gearing fell for the 4th year in a row, down to 9.1%.

**ON BEHALF OF THE BOARD:**

Mr G W Bethel - Director

28 March 2025

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2024**

The directors present their report with the financial statements of the company for the year ended 30 June 2024.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of road haulage and distribution.

**DIVIDENDS**

Interim dividends per share of £4.30 on Ordinary £1 shares and £6.84 on Ordinary A £1 shares were paid.

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 30 June 2024 was £361,500.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2023 to the date of this report.

Mr G W Bethel

Mr M Dixon

**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 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.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2024**

**AUDITORS**

The auditors, RFM Audit Services LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr G W Bethel - Director

28 March 2025

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BCD LOGISTICS LTD**

**Opinion**

We have audited the financial statements of BCD Logistics Ltd (the 'company') for the year ended 30 June 2024 which comprise the Statement of Income and Retained Earnings, Balance Sheet, 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 30 June 2024 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**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, 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 this gives rise to a material misstatement in the financial statements themselves. 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 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  
BCD LOGISTICS LTD**

**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 four, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BCD LOGISTICS LTD**

**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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our commercial knowledge and experience of the haulage industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, VOSA, health and safety, employment and environmental legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with VOSA, HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BCD LOGISTICS LTD**

**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.

Sarah Flynn (Senior Statutory Auditor)  
for and on behalf of RFM Audit Services LLP, Statutory Auditor  
Unit 1, Guest House Farm  
Runshaw Lane  
Euxton  
Chorley  
Lancashire  
PR7 6HD

28 March 2025

**STATEMENT OF INCOME AND  
RETAINED EARNINGS  
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 £	2023 £
<b>TURNOVER</b>		20,177,782	19,689,933
Cost of sales		<u>14,725,343</u>	<u>13,576,083</u>
<b>GROSS PROFIT</b>		5,452,439	6,113,850
Administrative expenses		<u>3,117,311</u>	<u>3,257,349</u>
<b>OPERATING PROFIT</b>	4	2,335,128	2,856,501
Interest receivable and similar income		<u>86,601</u>	<u>23,285</u>
		2,421,729	2,879,786
Interest payable and similar expenses	6	<u>124,706</u>	<u>106,472</u>
<b>PROFIT BEFORE TAXATION</b>		2,297,023	2,773,314
Tax on profit	7	<u>586,451</u>	<u>630,535</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,710,572	2,142,779
Retained earnings at beginning of year		6,643,467	4,862,188
Dividends	8	(361,500)	(361,500)
<b>RETAINED EARNINGS AT END OF YEAR</b>		<u><u>7,992,539</u></u>	<u><u>6,643,467</u></u>

The notes form part of these financial statements

BCD LOGISTICS LTD (REGISTERED NUMBER: 08951921)

BALANCE SHEET  
30 JUNE 2024

	Notes	2024 £	£	2023 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		4,232,646		4,608,787
<b>CURRENT ASSETS</b>					
Stocks	10	26,795		24,053	
Debtors	11	7,031,092		7,606,556	
Cash at bank and in hand		<u>1,646,618</u>		<u>216,486</u>	
		8,704,505		7,847,095	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>1,991,544</u>		<u>2,485,564</u>	
<b>NET CURRENT ASSETS</b>			<u>6,712,961</u>		<u>5,361,531</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>10,945,607</u>		<u>9,970,318</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(605,510)		(927,958)
<b>PROVISIONS FOR LIABILITIES</b>	17		<u>(2,267,558)</u>		<u>(2,318,893)</u>
<b>NET ASSETS</b>			<u>8,072,539</u>		<u>6,723,467</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		71,428		71,428
Share premium	19		8,572		8,572
Retained earnings	19		<u>7,992,539</u>		<u>6,643,467</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>8,072,539</u>		<u>6,723,467</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2025 and were signed on its behalf by:

Mr G W Bethel - Director

Mr M Dixon - Director

The notes form part of these financial statements

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	4,113,252	2,615,798
Interest paid		(14,485)	(38,231)
Interest element of hire purchase payments paid		(110,221)	(68,241)
Tax paid		(745,105)	(742,719)
Net cash from operating activities		<u>3,243,441</u>	<u>1,766,607</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(206,537)	(70,492)
Sale of tangible fixed assets		47,600	71,667
Interest received		86,601	23,285
Net cash from investing activities		<u>(72,336)</u>	<u>24,460</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(108,400)	(162,600)
Capital repayments in year		(1,252,342)	(1,280,011)
Amount introduced by directors		361,500	361,501
Amount withdrawn by directors		(380,231)	(540,507)
Equity dividends paid		(361,500)	(361,500)
Net cash from financing activities		<u>(1,740,973)</u>	<u>(1,983,117)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>1,430,132</u>	<u>(192,050)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	216,486	408,536
<b>Cash and cash equivalents at end of year</b>	2	<u>1,646,618</u>	<u>216,486</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2024**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	<b>2024</b>	<b>2023</b>
	£	£
Profit before taxation	2,297,023	2,773,314
Depreciation charges	1,057,804	1,060,083
Loss/(profit) on disposal of fixed assets	9,775	(5,186)
Movement in provisions	-	215,209
Finance costs	124,706	106,472
Finance income	<u>(86,601)</u>	<u>(23,285)</u>
	3,402,707	4,126,607
(Increase)/decrease in stocks	(2,742)	12,541
Decrease/(increase) in trade and other debtors	575,464	(1,192,575)
Increase/(decrease) in trade and other creditors	<u>137,823</u>	<u>(330,775)</u>
<b>Cash generated from operations</b>	<u><u>4,113,252</u></u>	<u><u>2,615,798</u></u>

**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 30 June 2024**

	30/6/24	1/7/23
	£	£
Cash and cash equivalents	<u>1,646,618</u>	<u>216,486</u>

**Year ended 30 June 2023**

	30/6/23	1/7/22
	£	£
Cash and cash equivalents	<u>216,486</u>	<u>408,536</u>

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2024**

## 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/7/23 £	Cash flow £	Other non-cash changes £	At 30/6/24 £
<b>Net cash</b>				
Cash at bank and in hand	<u>216,486</u>	<u>1,430,132</u>		<u>1,646,618</u>
	<u>216,486</u>	<u>1,430,132</u>		<u>1,646,618</u>
<b>Debt</b>				
Finance leases	(1,895,316)	1,252,342	(532,500)	(1,175,474)
Debts falling due within 1 year	<u>(108,400)</u>	<u>108,400</u>	<u>-</u>	<u>-</u>
	<u>(2,003,716)</u>	<u>1,360,742</u>	<u>(532,500)</u>	<u>(1,175,474)</u>
<b>Total</b>	<u>(1,787,230)</u>	<u>2,790,874</u>	<u>(532,500)</u>	<u>471,144</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024

1. **STATUTORY INFORMATION**

BCD Logistics Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**TURNOVER**

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

**TANGIBLE FIXED ASSETS**

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	- 50% on cost, 33% on cost and 20% on cost
Fixtures and fittings	- 50% on cost and 33% on cost
Motor vehicles	- 50% on cost, 33% on cost, 25% on cost, 20% on cost, 15% on cost and 10% on cost
Computer equipment	- 50% on cost and 33% on cost

**STOCKS**

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

**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.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 2. ACCOUNTING POLICIES - continued

**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 payable and receivable under operating leases are charged to the profit and loss account 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.

**SIGNIFICANT JUDGEMENTS AND ESTIMATES**

Significant judgements and estimates made by management in preparing these financial statements which also have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Depreciation and impairment of fixed assets
- Connected party loan provision

## 3. EMPLOYEES AND DIRECTORS

	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	3,376,324	3,181,646
Social security costs	336,298	317,886
Other pension costs	70,820	63,924
	<u>3,783,442</u>	<u>3,563,456</u>

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

	<b>2024</b>	<b>2023</b>
Directors	2	2
Staff	90	86
	<u>92</u>	<u>88</u>
	<b>2024</b>	<b>2023</b>
	£	£
Directors' remuneration	<u>12,535</u>	<u>12,314</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
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NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 4. OPERATING PROFIT

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

	2024	2023
	£	£
Depreciation - owned assets	707,704	338,829
Depreciation - assets on hire purchase contracts	350,099	721,254
Loss/(profit) on disposal of fixed assets	9,775	(5,186)
Auditors' remuneration	<u>15,000</u>	<u>13,000</u>

## 5. EXCEPTIONAL ITEMS

Administrative expenses includes an exceptional item of £350,000 (30/06/2023) relating to a provision against a Related Party loan. See note 18 for further details.

## 6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2024	2023
	£	£
Bank loan interest payable	3	21,642
Factoring Interest	13,727	16,589
Other interest payable	755	-
Hire purchase interest	<u>110,221</u>	<u>68,241</u>
	<u>124,706</u>	<u>106,472</u>

## 7. TAXATION

**Analysis of the tax charge**

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

	2024	2023
	£	£
Current tax:		
UK corporation tax	637,786	596,634
Deferred tax:		
Origination and reversal of timing differences	<u>(51,335)</u>	<u>33,901</u>
Tax on profit	<u>586,451</u>	<u>630,535</u>

UK corporation tax has been charged at 25% (2023 - 20.50%).

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**7. TAXATION - continued****RECONCILIATION OF TOTAL TAX CHARGE INCLUDED IN PROFIT AND LOSS**

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Profit before tax	<u>2,297,023</u>	<u>2,773,314</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 20.496%)	574,256	568,418
Effects of:		
Expenses not deductible for tax purposes	14,639	11,667
Depreciation in excess of capital allowances	48,891	-
Deferred tax - change in rate of tax	-	6,104
Super deduction allowance	-	(27,390)
Connected company loan provision	-	71,736
Deferred Tax credit	<u>(51,335)</u>	<u>-</u>
Total tax charge	<u>586,451</u>	<u>630,535</u>

Factors that affect future tax charges: The UK Finance Act 2021 was substantially enacted 24 May 2021, which has increased the UK Corporation tax rate from 19% to 25% from 1 April 2023. The provision for deferred tax has been made at 25%, the rate at which timing differences are expected to reverse.

**8. DIVIDENDS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Ordinary shares of £1 each		
Dividends paid	215,000	208,000
Ordinary A shares of £1 each		
Dividends paid	<u>146,500</u>	<u>153,500</u>
	<u>361,500</u>	<u>361,500</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 July 2023	246,361	138,589	7,125,906	96,054	7,606,910
Additions	22,671	14,476	696,250	5,640	739,037
Disposals	-	-	(145,500)	-	(145,500)
At 30 June 2024	<u>269,032</u>	<u>153,065</u>	<u>7,676,656</u>	<u>101,694</u>	<u>8,200,447</u>
<b>DEPRECIATION</b>					
At 1 July 2023	182,858	110,335	2,620,033	84,897	2,998,123
Charge for year	19,709	16,743	1,015,119	6,232	1,057,803
Eliminated on disposal	-	-	(88,125)	-	(88,125)
At 30 June 2024	<u>202,567</u>	<u>127,078</u>	<u>3,547,027</u>	<u>91,129</u>	<u>3,967,801</u>
<b>NET BOOK VALUE</b>					
At 30 June 2024	<u>66,465</u>	<u>25,987</u>	<u>4,129,629</u>	<u>10,565</u>	<u>4,232,646</u>
At 30 June 2023	<u>63,503</u>	<u>28,254</u>	<u>4,505,873</u>	<u>11,157</u>	<u>4,608,787</u>

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

	Motor vehicles £
<b>COST</b>	
At 1 July 2023	5,274,106
Additions	532,500
Reclassification/transfer	(2,670,090)
At 30 June 2024	<u>3,136,516</u>
<b>DEPRECIATION</b>	
At 1 July 2023	1,711,442
Charge for year	350,099
Reclassification/transfer	(1,207,275)
At 30 June 2024	<u>854,266</u>
<b>NET BOOK VALUE</b>	
At 30 June 2024	<u>2,282,250</u>
At 30 June 2023	<u>3,562,664</u>

## 10. STOCKS

	2024 £	2023 £
Fuel stock	<u>26,795</u>	<u>24,053</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	2,620,112	2,169,716
Other debtors	3,526,527	4,649,902
VAT	197,298	56,539
Prepayments and accrued income	687,155	730,399
	<u>7,031,092</u>	<u>7,606,556</u>

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 14)	-	108,400
Hire purchase contracts (see note 15)	569,964	967,358
Trade creditors	688,256	482,362
Corporation tax	171,007	278,326
Social security and other taxes	94,439	93,848
Wages Control	40,125	-
Other creditors	16,499	50,146
Directors' current accounts	81,820	100,550
Accruals and deferred income	329,434	404,574
	<u>1,991,544</u>	<u>2,485,564</u>

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

	2024	2023
	£	£
Hire purchase contracts (see note 15)	<u>605,510</u>	<u>927,958</u>

## 14. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>-</u>	<u>108,400</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	621,540	1,052,095
Between one and five years	<u>680,498</u>	<u>1,037,247</u>
	<u>1,302,038</u>	<u>2,089,342</u>
Finance charges repayable:		
Within one year	51,576	84,737
Between one and five years	<u>74,988</u>	<u>109,289</u>
	<u>126,564</u>	<u>194,026</u>
Net obligations repayable:		
Within one year	569,964	967,358
Between one and five years	<u>605,510</u>	<u>927,958</u>
	<u>1,175,474</u>	<u>1,895,316</u>
	<b>Non-cancellable</b>	<b>operating leases</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Within one year	45,107	57,693
Between one and five years	<u>30,120</u>	<u>46,705</u>
	<u>75,227</u>	<u>104,398</u>

## 16. SECURED DEBTS

The following secured debts are included within creditors:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank loans	-	108,400
Hire purchase contracts	<u>1,175,474</u>	<u>1,895,316</u>
	<u>1,175,474</u>	<u>2,003,716</u>

The Bank loan is secured against the company assets. Hire Purchase creditors are secured against the individual assets to which the agreement applies.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024

## 17. PROVISIONS FOR LIABILITIES

	2024 £	2023 £
Deferred tax		
Accelerated capital allowances	917,558	968,893
Related Party loan provision	<u>1,350,000</u>	<u>1,350,000</u>
	<u>2,267,558</u>	<u>2,318,893</u>
	<b>Deferred tax</b>	<b>Other provisions</b>
	£	£
Balance at 1 July 2023	968,893	1,350,000
Credit to Income Statement during year	<u>(51,335)</u>	<u>-</u>
Balance at 30 June 2024	<u>917,558</u>	<u>1,350,000</u>

During the year, there was a credit of £51,335 (2023 - charge £33,901) for Deferred Tax.

Related party loan provision has not been increased in the year (increase 2023 £350,000). The provision is against the connected company loan to JME Transport & Distribution Ltd. The total provision is £1,350,000, to provide against the potential risk the loan is not fully recovered.

## 18. CALLED UP SHARE CAPITAL

## Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
50,000	Ordinary	£1	50,000	50,000
21,428	Ordinary A	£1	<u>21,428</u>	<u>21,428</u>
			<u>71,428</u>	<u>71,428</u>

## 19. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 July 2023	6,643,467	8,572	6,652,039
Profit for the year	1,710,572		1,710,572
Dividends	<u>(361,500)</u>		<u>(361,500)</u>
At 30 June 2024	<u>7,992,539</u>	<u>8,572</u>	<u>8,001,111</u>

## 20. CHARGES

HSBC Bank Plc and HSBC Invoice Finance (UK) Ltd hold charges over the assets of the company, including fixed and floating charges and negative pledge, relating to an invoice discounting facility.

The invoice discounting facility balance at the year end was £1,401,598 Debtor (2023 - £2,899,902 Debtor). This balance is included within Other Debtors.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2024**

**21. RELATED PARTY DISCLOSURES**

During the previous year, the company ceased to be connected to Solent Transport Services Ltd. Transactions charged by Solent Transport Services Ltd in the previous year were £13,880 and transactions charged to Solent Transport Services Ltd in the previous year were £83,762. At 30/06/2023, the company was owed £217 from Solent Transport Services Ltd, which was included in trade debtors and owed £4,908 to Solent Transport Services Ltd, which was included in trade creditors.

During the year, the company entered into transactions with PMG Logistics Ltd; a related party by virtue of common shareholders and directors. Transactions charged by PMG Logistics Ltd of £246,925 (2023: £160,159) and transactions charged to PMG Logistics Ltd of £371,527 (2023: £289,499). At the balance sheet, the company was owed £23,546 (2023: £34,954) from PMG Logistics Ltd, which was included in trade debtors and owed £12,647 (2023: £37,060) to PMG Logistics Ltd, which was included in trade creditors.

During the year, the company entered into transactions with JME Transport & Distribution Ltd; a related party by virtue of common shareholders and directors. Transactions charged by JME Transport & Distribution Ltd of £50,076 (2023: £186,288) and transactions charged to JME Transport & Distribution Ltd of £425,870 (2023: £300,463). At the balance sheet, the company was owed £96,499 (2023: £35,341) from JME Transport & Distribution Ltd, which was included in trade debtors and owed £2,045 (2023: £2,471) to JME Transport & Distribution Ltd, which was included in trade creditors. The company has made an interest free loan to JME Transport & Distribution Ltd of £1,750,000 (2023: £1,750,000) which is included within Other Debtors and is repayable on demand. Provision has been made against this loan for £1,350,000 (2023: £1,350,000).

At the year end the company owed £81,820 (2023: £100,550) to key management personnel. The loans were made on an interest free basis and are repayable on demand.

Dividends paid during the year to the directors and their partners in respect of shares held in the company were £361,500 (2023: £361,500).

**22. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Mr G W Bethel.

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.