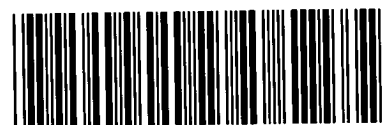


REGISTERED NUMBER: SC067039 (Scotland)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017  
FOR  
DYCE CARRIERS LIMITED**

THURSDAY



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COMPANIES HOUSE

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FOR THE YEAR ENDED 31 JANUARY 2017**

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**DYCE CARRIERS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JANUARY 2017**

**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 2017**

The directors present their strategic report for the year ended 31 January 2017.

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. Due to the current down turn within the oil industry, all depots have experienced a decrease in turnover which in turn has resulted in a slowdown in growth. 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 17 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 decrease in sales by 13% against 2016 and this has also impacted on the gross margin. The company has recovered some of this financial impact from reducing overheads and the overall financial performance can be seen from review of the Income Statement on page 5. However, the company's cash position has remained strong and this can be seen on the Cash Flow Statement on page 9.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The biggest exposure the company faces is the current downturn in the oil and gas sector which is predominantly affecting the Aberdeen and Poole Depots. The construction industry has remained buoyant and where we see a downturn in work on the oil and gas side, we are able to utilise the fleet in the construction side.

As Directors we are aware of the fact that we are still in the grips of a downturn and the next year to year and a half will be challenging. However, by diversifying and consolidating we feel we have a firm grasp on the situation and although we have been through tough times the company is in an excellent position to ride the storm. 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

6 October 2017

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 JANUARY 2017**

The directors present their report with the financial statements of the company for the year ended 31 January 2017.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 January 2017 will be £20,000.

**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 2016 to the date of this report.

J D W Moir  
Mrs C K Moir

**DONATIONS**

The company made charitable donations during the year of £1,804 (2016 - £5,672).

**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

6 October 2017

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

We have audited the financial statements of Dyce Carriers Limited for the year ended 31 January 2017 on pages five to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2017 and of its loss 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

### **Matters on which we are required to report by exception**

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.



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: 6/10/17

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2017**

|                                             | Notes | 2017<br>£               | 2016<br>£           |
|---------------------------------------------|-------|-------------------------|---------------------|
| <b>TURNOVER</b>                             | 4     | 9,839,689               | 11,313,963          |
| Cost of sales                               |       | <u>8,441,437</u>        | <u>9,564,711</u>    |
| <b>GROSS PROFIT</b>                         |       | 1,398,252               | 1,749,252           |
| Administrative expenses                     |       | <u>1,564,910</u>        | <u>1,679,967</u>    |
|                                             |       | (166,658)               | 69,285              |
| Other operating income                      |       | <u>10,425</u>           | <u>31,078</u>       |
| <b>OPERATING (LOSS)/PROFIT</b>              | 6     | (156,233)               | 100,363             |
| Interest receivable and similar income      |       | <u>413</u>              | <u>488</u>          |
|                                             |       | (155,820)               | 100,851             |
| Interest payable and similar expenses       | 7     | <u>54,648</u>           | <u>60,000</u>       |
| <b>(LOSS)/PROFIT BEFORE TAXATION</b>        |       | (210,468)               | 40,851              |
| Tax on (loss)/profit                        | 8     | <u>(36,873)</u>         | <u>31,296</u>       |
| <b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b> |       | <u><u>(173,595)</u></u> | <u><u>9,555</u></u> |

The notes form part of these financial statements

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JANUARY 2017**

|                                                    | Notes | 2017<br>£        | 2016<br>£    |
|----------------------------------------------------|-------|------------------|--------------|
| <b>(LOSS)/PROFIT FOR THE YEAR</b>                  |       | (173,595)        | 9,555        |
| <b>OTHER COMPREHENSIVE INCOME</b>                  |       | <u>-</u>         | <u>-</u>     |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE YEAR</b> |       | <u>(173,595)</u> | <u>9,555</u> |

The notes form part of these financial statements

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**BALANCE SHEET  
31 JANUARY 2017**

|                                              | Notes | 2017<br>£               | 2016<br>£               |
|----------------------------------------------|-------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                          |       |                         |                         |
| Tangible assets                              | 10    | 3,773,206               | 4,104,336               |
| <b>CURRENT ASSETS</b>                        |       |                         |                         |
| Stocks                                       | 11    | 38,523                  | 45,852                  |
| Debtors                                      | 12    | 1,701,498               | 2,189,984               |
| Cash at bank and in hand                     |       | 1,269,140               | 1,273,929               |
|                                              |       | <u>3,009,161</u>        | <u>3,509,765</u>        |
| <b>CREDITORS</b>                             |       |                         |                         |
| Amounts falling due within one year          | 13    | 1,508,106               | 2,111,973               |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,501,055</u>        | <u>1,397,792</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 5,274,261               | 5,502,128               |
| <b>CREDITORS</b>                             |       |                         |                         |
| Amounts falling due after more than one year | 14    | (829,581)               | (826,980)               |
| <b>PROVISIONS FOR LIABILITIES</b>            | 18    | (223,421)               | (260,294)               |
| <b>NET ASSETS</b>                            |       | <u><u>4,221,259</u></u> | <u><u>4,414,854</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                         |                         |
| Called up share capital                      | 19    | 182                     | 182                     |
| Revaluation reserve                          | 20    | 380,778                 | 386,670                 |
| Capital redemption reserve                   | 20    | 22                      | 22                      |
| Retained earnings                            | 20    | 3,840,277               | 4,027,980               |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u><u>4,221,259</u></u> | <u><u>4,414,854</u></u> |

The financial statements were approved by the Board of Directors on 6 October 2017 and were signed on its behalf by:



J D W Moir - Director

The notes form part of these financial statements

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2017**

|                                   | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Revaluation<br>reserve<br>£ | Capital<br>redemption<br>reserve<br>£ | Total<br>equity<br>£ |
|-----------------------------------|------------------------------------|---------------------------|-----------------------------|---------------------------------------|----------------------|
| <b>Balance at 1 February 2015</b> | 182                                | 4,116,517                 | 398,148                     | 22                                    | 4,514,869            |
| <b>Changes in equity</b>          |                                    |                           |                             |                                       |                      |
| Dividends                         | -                                  | (109,570)                 | -                           | -                                     | (109,570)            |
| Total comprehensive income        | -                                  | 21,033                    | (11,478)                    | -                                     | 9,555                |
| <b>Balance at 31 January 2016</b> | <u>182</u>                         | <u>4,027,980</u>          | <u>386,670</u>              | <u>22</u>                             | <u>4,414,854</u>     |
| <b>Changes in equity</b>          |                                    |                           |                             |                                       |                      |
| Dividends                         | -                                  | (20,000)                  | -                           | -                                     | (20,000)             |
| Total comprehensive income        | -                                  | (167,703)                 | (5,892)                     | -                                     | (173,595)            |
| <b>Balance at 31 January 2017</b> | <u>182</u>                         | <u>3,840,277</u>          | <u>380,778</u>              | <u>22</u>                             | <u>4,221,259</u>     |

The notes form part of these financial statements

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2017**

|                                                         | Notes | 2017<br>£               | 2016<br>£               |
|---------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>             |       |                         |                         |
| Cash generated from operations                          | 1     | 637,611                 | 1,164,146               |
| Interest paid                                           |       | (24,704)                | (23,887)                |
| Interest element of hire purchase payments paid         |       | (29,944)                | (36,113)                |
| Tax paid                                                |       | -                       | (270,837)               |
| Net cash from operating activities                      |       | <u>582,963</u>          | <u>833,309</u>          |
| <b>Cash flows from investing activities</b>             |       |                         |                         |
| Purchase of tangible fixed assets                       |       | (653,514)               | (985,675)               |
| Sale of tangible fixed assets                           |       | 336,145                 | 179,100                 |
| Interest received                                       |       | 413                     | 488                     |
| Net cash from investing activities                      |       | <u>(316,956)</u>        | <u>(806,087)</u>        |
| <b>Cash flows from financing activities</b>             |       |                         |                         |
| New loans in year                                       |       | 524,114                 | 850,225                 |
| Loan repayments in year                                 |       | (96,443)                | (77,029)                |
| Capital repayments in year                              |       | (674,469)               | (602,622)               |
| Amount introduced by directors                          |       | -                       | 4,816                   |
| Amount withdrawn by directors                           |       | (3,998)                 | -                       |
| Equity dividends paid                                   |       | (20,000)                | (109,570)               |
| Net cash from financing activities                      |       | <u>(270,796)</u>        | <u>65,820</u>           |
| <b>(Decrease)/increase in cash and cash equivalents</b> |       | <u>(4,789)</u>          | <u>93,042</u>           |
| <b>Cash and cash equivalents at beginning of year</b>   | 2     | <u>1,273,929</u>        | <u>1,180,887</u>        |
| <b>Cash and cash equivalents at end of year</b>         | 2     | <u><u>1,269,140</u></u> | <u><u>1,273,929</u></u> |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2017

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

|                                       | 2017           | 2016             |
|---------------------------------------|----------------|------------------|
|                                       | £              | £                |
| (Loss)/profit before taxation         | (210,468)      | 40,851           |
| Depreciation charges                  | 504,380        | 569,402          |
| Loss on disposal of fixed assets      | 144,119        | 47,867           |
| Finance costs                         | 54,648         | 60,000           |
| Finance income                        | (413)          | (488)            |
|                                       | <u>492,266</u> | <u>717,632</u>   |
| Decrease in stocks                    | 7,329          | 21,620           |
| Decrease in trade and other debtors   | 488,486        | 841,447          |
| Decrease in trade and other creditors | (350,470)      | (416,553)        |
|                                       | <u>637,611</u> | <u>1,164,146</u> |
| <b>Cash generated from operations</b> | <u>637,611</u> | <u>1,164,146</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 31 January 2017

|                           | 31.1.17          | 1.2.16           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | <u>1,269,140</u> | <u>1,273,929</u> |

Year ended 31 January 2016

|                           | 31.1.16          | 1.2.15           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | <u>1,273,929</u> | <u>1,180,887</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

**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 1XF.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017

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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2017**

**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.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

**4. TURNOVER**

The turnover and loss (2016 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

|         | 2017<br>£        | 2016<br>£         |
|---------|------------------|-------------------|
| Haulage | 9,839,689        | 11,313,963        |
|         | <u>9,839,689</u> | <u>11,313,963</u> |

An analysis of turnover by geographical market is given below:

|                | 2017<br>£        | 2016<br>£         |
|----------------|------------------|-------------------|
| United Kingdom | 9,839,689        | 11,313,963        |
|                | <u>9,839,689</u> | <u>11,313,963</u> |

**5. EMPLOYEES AND DIRECTORS**

|                       | 2017<br>£        | 2016<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 3,294,765        | 3,844,591        |
| Social security costs | 311,519          | 370,153          |
| Other pension costs   | 59,420           | 100,364          |
|                       | <u>3,665,704</u> | <u>4,315,108</u> |

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

|                    | 2017      | 2016       |
|--------------------|-----------|------------|
| Directors          | 2         | 2          |
| Administration     | 5         | 5          |
| Logistics          | 10        | 10         |
| Drivers            | 72        | 85         |
| Mechanics and yard | 4         | 4          |
|                    | <u>93</u> | <u>106</u> |

|                                                            | 2017<br>£     | 2016<br>£      |
|------------------------------------------------------------|---------------|----------------|
| Directors' remuneration                                    | 64,720        | 68,150         |
| Directors' pension contributions to money purchase schemes | 24,000        | 61,333         |
|                                                            | <u>88,720</u> | <u>129,483</u> |

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

|                        |          |          |
|------------------------|----------|----------|
| Money purchase schemes | <u>2</u> | <u>2</u> |
|------------------------|----------|----------|

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2017**

**6. OPERATING (LOSS)/PROFIT**

The operating loss (2016 - operating profit) is stated after charging:

|                                                  | 2017           | 2016           |
|--------------------------------------------------|----------------|----------------|
|                                                  | £              | £              |
| Hire of plant and machinery                      | 819,058        | 807,806        |
| Depreciation - owned assets                      | 330,184        | 286,079        |
| Depreciation - assets on hire purchase contracts | 174,196        | 283,323        |
| Loss on disposal of fixed assets                 | 144,119        | 47,867         |
| Auditors' remuneration                           | 8,000          | 9,000          |
|                                                  | <u>819,058</u> | <u>807,806</u> |

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

|                    | 2017          | 2016          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Bank interest      | 61            | 207           |
| Bank loan interest | 24,643        | 23,680        |
| Hire purchase      | 29,944        | 36,113        |
|                    | <u>54,648</u> | <u>60,000</u> |

**8. TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

|                      | 2017            | 2016          |
|----------------------|-----------------|---------------|
|                      | £               | £             |
| Deferred tax         | (36,873)        | 31,296        |
| Tax on (loss)/profit | <u>(36,873)</u> | <u>31,296</u> |

**Reconciliation of total tax (credit)/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:

|                                                                                                    | 2017             | 2016          |
|----------------------------------------------------------------------------------------------------|------------------|---------------|
|                                                                                                    | £                | £             |
| (Loss)/profit before tax                                                                           | <u>(210,468)</u> | <u>40,851</u> |
| (Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20.200%) | (42,094)         | 8,252         |
| Effects of:                                                                                        |                  |               |
| Expenses not deductible for tax purposes                                                           | 2,725            | 1,696         |
| Capital allowances in excess of depreciation                                                       | -                | (41,707)      |
| Depreciation in excess of capital allowances                                                       | 5,102            | -             |
| Utilisation of tax losses                                                                          | 5,443            | 22,090        |
| (Gain)/Loss on disposal of fixed assets                                                            | 28,824           | 9,669         |
| Deferred tax charge                                                                                | (36,873)         | 31,296        |
|                                                                                                    | <u>(36,873)</u>  | <u>31,296</u> |
| Total tax (credit)/charge                                                                          | <u>(36,873)</u>  | <u>31,296</u> |

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 2017.

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

**9. DIVIDENDS**

|                            | 2017<br>£     | 2016<br>£      |
|----------------------------|---------------|----------------|
| Ordinary shares of £1 each |               |                |
| Interim                    | <u>20,000</u> | <u>109,570</u> |

**10. TANGIBLE FIXED ASSETS**

|                        | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Totals<br>£        |
|------------------------|---------------------------|-----------------------------|--------------------|
| <b>COST</b>            |                           |                             |                    |
| At 1 February 2016     | 1,580,918                 | 5,914,576                   | 7,495,494          |
| Additions              | 2,150*                    | 651,364                     | 653,514            |
| Disposals              | <u>(12,489)</u>           | <u>(1,089,783)</u>          | <u>(1,102,272)</u> |
| At 31 January 2017     | <u>1,570,579</u>          | <u>5,476,157</u>            | <u>7,046,736</u>   |
| <b>DEPRECIATION</b>    |                           |                             |                    |
| At 1 February 2016     | 151,475                   | 3,239,683                   | 3,391,158          |
| Charge for year        | 9,309                     | 495,071                     | 504,380            |
| Eliminated on disposal | <u>(6,994)</u>            | <u>(615,014)</u>            | <u>(622,008)</u>   |
| At 31 January 2017     | <u>153,790</u>            | <u>3,119,740</u>            | <u>3,273,530</u>   |
| <b>NET BOOK VALUE</b>  |                           |                             |                    |
| At 31 January 2017     | <u>1,416,789</u>          | <u>2,356,417</u>            | <u>3,773,206</u>   |
| At 31 January 2016     | <u>1,429,443</u>          | <u>2,674,893</u>            | <u>4,104,336</u>   |

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 (2016 - £588,014). 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 (2016 - £594,756). Accumulated historical cost amounts to £1,182,770 (2016 - £1,182,770). The revaluation reserve prior to movements for deferred tax amounts to £398,148 (2016 - £398,148).

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

**10. TANGIBLE FIXED ASSETS - continued**

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

|                       | Plant and<br>machinery<br>£ |
|-----------------------|-----------------------------|
| <b>COST</b>           |                             |
| At 1 February 2016    | 1,836,643                   |
| Additions             | 562,277                     |
| Transfer to ownership | (1,126,898)                 |
|                       | <hr/>                       |
| At 31 January 2017    | 1,272,022                   |
|                       | <hr/>                       |
| <b>DEPRECIATION</b>   |                             |
| At 1 February 2016    | 572,152                     |
| Charge for year       | 174,196                     |
| Transfer to ownership | (449,983)                   |
|                       | <hr/>                       |
| At 31 January 2017    | 296,365                     |
|                       | <hr/>                       |
| <b>NET BOOK VALUE</b> |                             |
| At 31 January 2017    | 975,657                     |
|                       | <hr/>                       |
| At 31 January 2016    | 1,264,491                   |
|                       | <hr/>                       |

**11. STOCKS**

|        | 2017<br>£ | 2016<br>£ |
|--------|-----------|-----------|
| Stocks | 38,523    | 45,852    |
|        | <hr/>     | <hr/>     |

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 2017<br>£ | 2016<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 1,529,332 | 1,994,707 |
| Other debtors                  | 12,500    | 3,000     |
| Prepayments and accrued income | 159,666   | 192,277   |
|                                | <hr/>     | <hr/>     |
|                                | 1,701,498 | 2,189,984 |
|                                | <hr/>     | <hr/>     |

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                         | 2017<br>£ | 2016<br>£ |
|-----------------------------------------|-----------|-----------|
| Bank loans and overdrafts (see note 15) | 84,130    | 96,460    |
| Hire purchase contracts (see note 16)   | 341,444   | 578,513   |
| Trade creditors                         | 666,814   | 907,855   |
| Social security and other taxes         | 68,774    | 96,514    |
| VAT                                     | 147,481   | 255,735   |
| Other creditors                         | 115,417   | 106,988   |
| Directors' current accounts             | 1,378     | 5,376     |
| Accrued expenses                        | 82,668    | 64,532    |
|                                         | <hr/>     | <hr/>     |
|                                         | 1,508,106 | 2,111,973 |
|                                         | <hr/>     | <hr/>     |

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

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

|                                       | 2017           | 2016           |
|---------------------------------------|----------------|----------------|
|                                       | £              | £              |
| Bank loans (see note 15)              | 388,980        | 473,092        |
| Hire purchase contracts (see note 16) | 440,601        | 353,888        |
|                                       | <u>829,581</u> | <u>826,980</u> |

**15. LOANS**

An analysis of the maturity of loans is given below:

|                                                   | 2017           | 2016           |
|---------------------------------------------------|----------------|----------------|
|                                                   | £              | £              |
| Amounts falling due within one year or on demand: |                |                |
| Bank loans                                        | <u>84,130</u>  | <u>96,460</u>  |
| Amounts falling due between two and five years:   |                |                |
| Bank loans - 2-5 years                            | <u>327,429</u> | <u>378,450</u> |
| Amounts falling due in more than five years:      |                |                |
| Repayable by instalments                          |                |                |
| Bank loans more 5 yr by instal                    | <u>61,551</u>  | <u>94,642</u>  |

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

|                              | Hire purchase contracts |                |
|------------------------------|-------------------------|----------------|
|                              | 2017                    | 2016           |
|                              | £                       | £              |
| Gross obligations repayable: |                         |                |
| Within one year              | 357,916                 | 605,762        |
| Between one and five years   | 463,628                 | 378,587        |
|                              | <u>821,544</u>          | <u>984,349</u> |
| Finance charges repayable:   |                         |                |
| Within one year              | 16,472                  | 27,249         |
| Between one and five years   | 23,027                  | 24,699         |
|                              | <u>39,499</u>           | <u>51,948</u>  |
| Net obligations repayable:   |                         |                |
| Within one year              | 341,444                 | 578,513        |
| Between one and five years   | 440,601                 | 353,888        |
|                              | <u>782,045</u>          | <u>932,401</u> |

**DYCE CARRIERS LIMITED (REGISTERED NUMBER: SC067039)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

**16. LEASING AGREEMENTS - continued**

|                            | Non-cancellable operating<br>leases |                  |
|----------------------------|-------------------------------------|------------------|
|                            | 2017                                | 2016             |
|                            | £                                   | £                |
| Within one year            | 86,972                              | 133,340          |
| Between one and five years | 1,247,181                           | 1,136,246        |
|                            | <u>1,334,153</u>                    | <u>1,269,586</u> |

**17. SECURED DEBTS**

The following secured debts are included within creditors:

|                         | 2017             | 2016             |
|-------------------------|------------------|------------------|
|                         | £                | £                |
| Bank loans              | 473,110          | 569,552          |
| Hire purchase contracts | 782,045          | 932,401          |
|                         | <u>1,255,155</u> | <u>1,501,953</u> |

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**

|                                | 2017           | 2016                 |
|--------------------------------|----------------|----------------------|
|                                | £              | £                    |
| Deferred tax                   | <u>223,421</u> | <u>260,294</u>       |
|                                |                | Deferred<br>tax<br>£ |
| Balance at 1 February 2016     |                | 260,294              |
| Accelerated capital allowances |                | (30,981)             |
| Revaluation reserve            |                | <u>(5,892)</u>       |
| Balance at 31 January 2017     |                | <u>223,421</u>       |

**19. CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |          |                   | 2017       | 2016       |
|----------------------------------|----------|-------------------|------------|------------|
| Number:                          | Class:   | Nominal<br>value: | £          | £          |
| 182                              | Ordinary | £1                | <u>182</u> | <u>182</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JANUARY 2017**

**20. RESERVES**

|                             | Retained<br>earnings<br>£ | Revaluation<br>reserve<br>£ | Capital<br>redemption<br>reserve<br>£ | Totals<br>£      |
|-----------------------------|---------------------------|-----------------------------|---------------------------------------|------------------|
| At 1 February 2016          | 4,027,980                 | 386,670                     | 22                                    | 4,414,672        |
| Deficit for the year        | (173,595)                 |                             |                                       | (173,595)        |
| Dividends                   | (20,000)                  |                             |                                       | (20,000)         |
| Deferred tax on revaluation | 5,892                     | (5,892)                     | -                                     | -                |
|                             | <u>3,840,277</u>          | <u>380,778</u>              | <u>22</u>                             | <u>4,221,077</u> |
| At 31 January 2017          |                           |                             |                                       |                  |

**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 £1,217 (2016 - £2,837) 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 £59,420 (2016 - £100,364).

**22. CAPITAL COMMITMENTS**

|                                                             | 2017<br>£      | 2016<br>£      |
|-------------------------------------------------------------|----------------|----------------|
| Contracted but not provided for in the financial statements | <u>245,050</u> | <u>222,350</u> |

**23. RELATED PARTY DISCLOSURES**

During the year, total dividends of £20,000 (2016 - £109,570) were paid to the directors.

Included within Directors' current accounts are loans due to the directors, J D W Moir £689 (2016 - £2,688) and Mrs C K Moir £689 (2016 - £2,688).

**24. ULTIMATE CONTROLLING PARTY**

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