REGISTERED NUMBER: SC160959 (Scotland)

Strategic Report, Report of the Director and Financial Statements For The Year Ended 31 January 2018 for Class One Traffic Management Ltd.

Cahill Jack Associates Limited
Chartered Accountants and Statutory Auditors
91 Alexander Street
Airdrie
North Lanarkshire
ML6 0BD

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For The Year Ended 31 January 2018

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Class One Traffic Management Ltd.

Company Information
For The Year Ended 31 January 2018

DIRECTOR:	Mrs Karen Healey
SECRETARY:	Mrs Catherine Tulloch
REGISTERED OFFICE:	Class One House Seabegs Road Bonnybridge FK4 2AQ
REGISTERED NUMBER:	SC160959 (Scotland)
AUDITORS:	Cahill Jack Associates Limited Chartered Accountants and Statutory Auditors 91 Alexander Street Airdrie North Lanarkshire ML6 0BD
BANKERS:	Clydesdale Bank Cumbernauld G67 1BU
SOLICITORS:	Keegan Walker Torridon House Civic Square Almondvale Boulevard Livingston EH54 6QY

Strategic Report
For The Year Ended 31 January 2018

The director presents her strategic report for the year ended 31 January 2018.

The strategic report forms part of the company's annual accounts and copies are available from the registered office given on the company information page.

REVIEW OF BUSINESS

Below is a summary of the main key performance indicators (KPIs) from the amounts included within the financial statements:

	2018	2017
Gross Profit % age	58.51%	58.45%
Net Profit before tax % age	13.92%	13.52%
Current Assets Ratio	189.90%	172.26%
Gross Profit	8,300,846	8,224,310
Total Wages and Salary Costs	8,284,322	8,650,119
Administrative expenses	6,443,079	6,412,304

Given the straightforward nature of the business, the directors are of the opinion that the KPIs above are sufficient to enable an understanding of the development, performance and position of the company. KPIs are continuously measured internally in order to monitor comparative efficiencies and to measure the results of implemented strategies.

The current year's trading results have remained consistent with last year's results. Turnover for the year showed a slight improvement on last years total and with the gross profit the same as last year at 58%.The company's balance sheet position remains strong with the current assets ratio increasing to 189%.

The company has confidence in its business strategy which will enable the company to continue to expand and enhance its position within the market. The company intends to maintain a future annual growth percentage of at least 20%.

In order to maintain the current levels of growth, the company's business strategy still includes a substantial asset replacement programme which will ensure the company's continued ability to deliver a high quality of service for the increased demand.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key risks affecting the group are set out below:-

Competition

The company operates in a highly competitive market, particularly in respect of pricing and services availability and quality. This results in not only constant pressure on margins but also in the risk that the company may fall short of customers' expectations. In order to mitigate this risk the directors and managers ensure that the company continually monitors market prices and routinely undertakes quality control procedures in order to ensure that customer expectations are fully met. They also maintain a constant programme of innovation within the product range as well as regular development meetings with customers to ensure their satisfaction in the quality of service supplied.

Employees

The company's performance depends largely on the experience of its managers and staff. The loss of key individuals or the inability to recruit people with the right level of experience and skills could adversely impact on the financial performance. In order to mitigate these risks they have introduced a programme for employees to enhance continuous learning and skills improvements and has implemented an incentive scheme designed to retain key individuals.

Services provision

Given the company's focus on service availability and quality it continually monitors available services within the market plus the demands and requirements of its customers. The company retains staff of a specialist nature who regularly attend training courses both in house and externally. This ensures the required level of expertise is maintained to ensure the quality and variety of services expected by its customers.

FINANCIAL RISK MANAGEMENT

Credit and price risk

Company policies are aimed at minimising any potential exposure and require that deferred terms are only offered where customers demonstrate an appropriate payment history and satisfy credit worthiness procedures. Credit limits are subject to regular review to ensure that limits remain appropriate to the circumstances of each customer.

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generations from its operations. The company also manages liquidity risk via revolving credit facilities.

Interest rate and cash flow risk

The company manages this risk, where significant, by fixing interest payments using interest rate swaps where payments are variable and hence exposed to interest rate movements. The company also uses short term deposit to ensure cash availability throughout the year.

ON BEHALF OF THE BOARD:

Mrs Catherine Tulloch - Secretary

3 July 2018

Report of the Director
For The Year Ended 31 January 2018

The director presents her report with the financial statements of the company for the year ended 31 January 2018.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of road traffic management.

DIVIDENDS
No interim dividend was paid during the year. The director recommends a final dividend of 6.21 per share.

Details of the total distribution of dividends for the year ended 31 January 2018 is given in note 9 to the accounts.

DIRECTOR
Mrs Karen Healey held office during the whole of the period from 1 February 2017 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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 director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is 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 director is 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 she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Cahill Jack Associates Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs Catherine Tulloch - Secretary

3 July 2018

Report of the Independent Auditors to the Members of
Class One Traffic Management Ltd.

Opinion
We have audited the financial statements of Class One Traffic Management Ltd. (the 'company') for the year ended 31 January 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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).

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.

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 January 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Director 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 Director have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Class One Traffic Management 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 Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director
As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

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

Mr Antony Fraser (Senior Statutory Auditor)
for and on behalf of Cahill Jack Associates Limited
Chartered Accountants and Statutory Auditors
91 Alexander Street
Airdrie
North Lanarkshire
ML6 0BD

3 July 2018

Statement of Comprehensive Income
For The Year Ended 31 January 2018

	Notes	31.1.18 £	31.1.17 £
TURNOVER		14,186,057	14,071,018
Cost of sales		5,885,211	5,846,708
GROSS PROFIT		8,300,846	8,224,310
Administrative expenses		6,443,079	6,412,304
		1,857,767	1,812,006
Other operating income		116,647	84,638
OPERATING PROFIT	4	1,974,414	1,896,644
Profit/loss on sale of tangible fixed assets	5	1,646	(744)
		1,976,060	1,895,900
Interest receivable and similar income	6	20,606	28,673
		1,996,666	1,924,573
Interest payable and similar expenses	7	21,426	22,826
PROFIT BEFORE TAXATION		1,975,240	1,901,747
Tax on profit	8	382,240	396,954
PROFIT FOR THE FINANCIAL YEAR		1,593,000	1,504,793
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,593,000	1,504,793

The notes form part of these financial statements

Statement of Financial Position
31 January 2018

	Notes	31.1.18 £	£	31.1.17 £	£
FIXED ASSETS					
Tangible assets	10		2,037,059		1,982,585
Investments	11		-		-
Investment property	12		273,420		273,420
			2,310,479		2,256,005
CURRENT ASSETS					
Stocks	13	409,070		404,515	
Debtors	14	2,765,522		2,663,720	
Investments	15	1,000,000		529,159	
Cash at bank and in hand		3,531,889		2,975,843	
		7,706,481		6,573,237	
CREDITORS					
Amounts falling due within one year	16	4,058,165		3,815,965	
NET CURRENT ASSETS			3,648,316		2,757,272
TOTAL ASSETS LESS CURRENT LIABILITIES			5,958,795		5,013,277
CREDITORS					
Amounts falling due after more than one year	17		(320,291)		(385,329)
PROVISIONS FOR LIABILITIES	20		(65,805)		(89,534)
NET ASSETS			5,572,699		4,538,414
CAPITAL AND RESERVES					
Called up share capital	21		90,000		90,000
Retained earnings	22		5,482,699		4,448,414
SHAREHOLDERS' FUNDS			5,572,699		4,538,414

The financial statements were approved by the director on 3 July 2018 and were signed by:

Mrs Karen Healey - Director

The notes form part of these financial statements

Statement of Changes in Equity
For The Year Ended 31 January 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2016	90,000	3,664,743	3,754,743
Changes in equity			
Dividend and other reserve movements	-	(721,122)	(721,122)
Total comprehensive income	-	1,504,793	1,504,793
Balance at 31 January 2017	90,000	4,448,414	4,538,414
Changes in equity			
Dividend and other reserve movements	-	(558,715)	(558,715)
Total comprehensive income	-	1,593,000	1,593,000
Balance at 31 January 2018	90,000	5,482,699	5,572,699

The notes form part of these financial statements

Statement of Cash Flows
For The Year Ended 31 January 2018

	Notes	31.1.18 £	31.1.17 £
Cash flows from operating activities			
Cash generated from operations	1	2,927,628	2,412,854
Interest element of hire purchase payments paid		(21,426)	(22,826)
Tax paid		(710,645)	(387,698)
Net cash from operating activities		2,195,557	2,002,330
Cash flows from investing activities			
Purchase of tangible fixed assets		(220,416)	(432,415)
Purchase of investment property		-	(273,420)
Sale of tangible fixed assets		94,490	81,654
Interest received		20,606	28,673
Net cash from investing activities		(105,320)	(595,508)
Cash flows from financing activities			
Capital repayments in year		(504,635)	(472,517)
Equity dividend and reserve		(558,715)	(721,122)
Amounts transferred to term deposits		(470,841)	(6,846)
Net cash from financing activities		(1,534,191)	(1,200,485)
Increase in cash and cash equivalents		556,046	206,337
Cash and cash equivalents at beginning of year	2	2,975,843	2,769,506
Cash and cash equivalents at end of year	2	3,531,889	2,975,843

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For The Year Ended 31 January 2018

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

	31.1.18	31.1.17
	£	£
Profit before taxation	1,975,240	1,901,747
Depreciation charges	504,512	466,757
Finance costs	21,426	22,826
Finance income	(20,606)	(28,673)
	2,480,572	2,362,657
Increase in stocks	(4,555)	(32,499)
Decrease/(increase) in trade and other debtors	167,960	(269,129)
Increase in trade and other creditors	283,651	351,825
Cash generated from operations	2,927,628	2,412,854

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 January 2018

	31.1.18	1.2.17
	£	£
Cash and cash equivalents	3,531,889	2,975,843

Year ended 31 January 2017

	31.1.17	1.2.16
	£	£
Cash and cash equivalents	2,975,843	2,769,506

3. **MAJOR NON-CASH TRANSACTIONS**

Non-cash transactions represent new hire purchase agreements totalling £470,841.

The notes form part of these financial statements

1. STATUTORY INFORMATION

Class One Traffic Management Ltd. is a private company, limited by shares , registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

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

The principal activity of the company was that of road traffic management.

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.

Preparation of consolidated financial statements
The financial statements contain information about Class One Traffic Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 405 of the Companies Act 2006 not to prepare consolidated financial statements.

Significant judgements and estimates
The preparation of financial information in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The directors have identified the following areas which give rise to estimation uncertainty:

1) Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and any residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

2) Valuation of stock of road traffic equipment uses estimations of recoverable amounts based on recent sales for items included within stock. Comparison of estimated net realisable value with written down costs may give rise to changes in values of stock reported in the accounts.

3) Debtors recoverability: For any balance considered irrecoverable, provision is made against the debtor. The remaining debtor balance at the year end not provided for, is therefore considered fully recoverable.

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 and in any future periods affected.

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2. **ACCOUNTING POLICIES - continued**

Turnover and revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding trade discounts, value added tax and any other sales taxes The following criteria must also be met before revenue is recognised:

Sale of goods
Revenue from sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services
Revenue from agreement to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the agreement.

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

Freehold property	- 2% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 30% on reducing balance

Tangible assets are stated at original cost less accumulated depreciation and accumulated impairment losses.

Land and buildings is comprised of freehold property. Buildings are depreciated using a straight line method. Land is not depreciated. Depreciation on other assets, is calculated using a reducing balance method to allocate the cost less the residual values over their estimated useful lives. The estimated useful lives and residual values are reviewed annually and revised as appropriate. Estimations are evidenced by previous disposal made by the company during current and prior accounting periods.

The company adds to the carrying amount of an item of fixed asset the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. Any carrying amount of the replaced part is written off. Repairs and maintenance are charged to the profit and loss during the year in which they are incurred except for any parts unused at the year end.

Asset residual values, useful lives and depreciation methods of relevant assets are reviewed, and adjusted prospectively if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and recognised in the profit and loss during the year of disposal.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

continued...

2. **ACCOUNTING POLICIES - continued**

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

Stock comprises of various items of road traffic equipment and consumables used in the performance of the company's trading activity. Estimated stock values are reviewed annually and revised as appropriate taking into account any disposal made by the company during current and prior accounting periods.

Financial instruments
Trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans, directors' loans and forward currency contracts (derivatives).

Any bank loans are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method. Trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. Forward currency contracts are derivative financial instruments. They are measured at fair value. Gains and losses arising from changes in the fair value of derivative financial instruments are included in the profit or loss in the period in which they arise.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss.

Any borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

Current and deferred tax
The tax for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge is attributed to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity. The current income tax and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax asset is limited to the extent that it is possible that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Current or deferred taxation assets and liabilities are not discounted.

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

Pension costs and short term employee 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.

Amounts in respect of defined contribution plans are recognised as an expense when they are incurred.

Short term employee benefits, including holiday pay, are recognised as an expense in the profit and loss in the period in which they are incurred.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than 3 months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

3. **EMPLOYEES AND DIRECTORS**

	31.1.18	31.1.17
	£	£
Wages and salaries	7,288,864	7,640,592
Social security costs	830,872	863,093
Other pension costs	164,586	146,434
	8,284,322	8,650,119

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

	31.1.18	31.1.17
Administration	36	33
Direct	126	133
	162	166

During the year, a total of key management personnel compensation of £3,961,257 was paid (2017 - £4,569,029)

	31.1.18	31.1.17
	£	£
Director's remuneration	19,644	16,225

continued...

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.1.18	31.1.17
	£	£
Hire of plant and machinery	925,715	649,576
Depreciation - owned assets	116,019	89,207
Depreciation - assets on hire purchase contracts	388,494	377,550
Auditors' remuneration	12,000	12,000

5. EXCEPTIONAL ITEMS

	31.1.18	31.1.17
	£	£
Profit/loss on sale of tangible fixed assets	1,646	(744)

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.1.18	31.1.17
	£	£
Deposit account interest	17,968	26,552
Other Interest	2,638	2,121
	20,606	28,673

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.1.18	31.1.17
	£	£
Hire purchase	21,426	22,826

8. TAXATION

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

	31.1.18	31.1.17
	£	£
Current tax:		
UK corporation tax	405,969	418,498
Deferred tax	(23,729)	(21,544)
Tax on profit	382,240	396,954

continued...

8. **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:

	31.1.18	31.1.17
	£	£
Profit before tax	1,975,240	1,901,747
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	375,296	380,349
Effects of:		
Expenses not deductible for tax	5,527	14,132
Depreciation for the period in excess of capital allowances	25,146	24,017
Deferred tax provision	(23,729)	(21,544)
Total tax charge	382,240	396,954

9. **DIVIDEND AND OTHER RESERVE MOVEMENTS**

	31.1.18	31.1.17
	£	£
Ordinary shares of £1 each		
Final	558,715	721,122

10. **TANGIBLE FIXED ASSETS**

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST					
At 1 February 2017	834,815	82,904	83,682	2,503,291	3,504,692
Additions	112,684	13,500	35,810	491,483	653,477
Disposals	-	-	(6,777)	(407,867)	(414,644)
At 31 January 2018	947,499	96,404	112,715	2,586,907	3,743,525
DEPRECIATION					
At 1 February 2017	146,888	69,338	61,579	1,244,302	1,522,107
Charge for year	21,899	5,032	12,711	464,871	504,513
Eliminated on disposal	-	-	(6,441)	(313,713)	(320,154)
At 31 January 2018	168,787	74,370	67,849	1,395,460	1,706,466
NET BOOK VALUE					
At 31 January 2018	778,712	22,034	44,866	1,191,447	2,037,059
At 31 January 2017	687,927	13,566	22,103	1,258,989	1,982,585

Included in cost of land and buildings is freehold land of £ 61,500 (2017 - £ 61,500) which is not depreciated.

continued...

10. TANGIBLE FIXED ASSETS - continued

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

	Motor vehicles £
COST	
At 1 February 2017	1,849,762
Additions	469,034
Transfer to ownership	(428,252)
At 31 January 2018	1,890,544
DEPRECIATION	
At 1 February 2017	712,529
Charge for year	388,494
Transfer to ownership	(263,711)
At 31 January 2018	837,312
NET BOOK VALUE	
At 31 January 2018	1,053,232
At 31 January 2017	1,137,233

11. FIXED ASSET INVESTMENTS

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Traffic Management Hire Services Limited
Registered office: See company information page
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

12. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 February 2017 and 31 January 2018	273,420
NET BOOK VALUE	
At 31 January 2018	273,420
At 31 January 2017	273,420

During the previous year the company purchased a property which is partly rented and used as offices. Approximately 50% of the building costs are included within investment properties. The purchase price was taken to be representative of its current market value which has not changed from then.

continued...

13. STOCKS

	31.1.18	31.1.17
	£	£
Non trading stock	409,070	404,515

The amount of stock recognised as an expense in cost of sales during the period was £220,479 (2017 - £197,777).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.18	31.1.17
	£	£
Trade debtors	2,463,210	2,640,141
Other debtors	32,551	23,579
Tax	269,761	-
	2,765,522	2,663,720

15. CURRENT ASSET INVESTMENTS

	31.1.18	31.1.17
	£	£
Cash held on term deposits	1,000,000	529,159

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.18	31.1.17
	£	£
Hire purchase contracts (see note 18)	422,170	428,706
Trade creditors	529,825	306,194
Tax	-	34,915
Social security and other taxes	162,480	199,388
VAT	699,202	604,702
Accrued expenses	2,244,488	2,242,060
	4,058,165	3,815,965

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

	31.1.18	31.1.17
	£	£
Hire purchase contracts (see note 18)	320,291	385,329

18. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31.1.18	31.1.17
	£	£
Net obligations repayable:		
Within one year	422,170	428,706
Between one and five years	320,291	385,329
	742,461	814,035

continued...

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.1.18	31.1.17
	£	£
Hire purchase contracts	742,461	814,035

Any bank loans, overdrafts or Bacs facilities are secured by a standard security over the property at Seabegs Road Bonnybridge. Hire purchase creditors are secured on the assets concerned.

20. PROVISIONS FOR LIABILITIES

	31.1.18	31.1.17
	£	£
Deferred tax provision	65,805	89,534

	Deferred tax
	£
Balance at 1 February 2017	89,534
Accelerated capital allowances	(19,969)
Corporation tax rate change	(3,760)
Balance at 31 January 2018	65,805

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.1.18	31.1.17
			£	£
90,000	Ordinary	£1	90,000	90,000

22. RESERVES

	Retained earnings
	£
At 1 February 2017	4,448,414
Profit for the year	1,593,000
Dividend and other reserve movements	(558,715)
At 31 January 2018	5,482,699

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr Michael Healey.

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.