REGISTERED NUMBER: SC192621 (Scotland)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019 FOR CALEDONIAN LOGISTICS LIMITED

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FOR THE YEAR ENDED 30 APRIL 2019

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COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2019

DIRECTORS:	D Mitchell N Keddie
SECRETARY:	Stronachs Sectretaries Limited
REGISTERED OFFICE:	28 Albyn Place Aberdeen AB10 1YL
REGISTERED NUMBER:	SC192621 (Scotland)
AUDITORS:	Bain Henry Reid Statutory Auditors Chartered Accountants 4 West Craibstone Street Bon-Accord Square ABERDEEN AB11 6YL
BANKERS:	Bank of Scotland plc 39 Albyn Place Aberdeen AB10 1YN

STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2019

The directors present their strategic report for the year ended 30 April 2019.

REVIEW OF BUSINESS
There are no changes to the principles of the business - still in road haulage, distribution and storage services, and still trying to expand where we can.

The trading year 2018/19 has been extremely challenging, we still have the limitations with the oil down turn in the north east of Scotland, the challenges that the trading clients give us as they are equally facing economic stresses in their own businesses, but saying that we managed a small increase of 5.5% in turnover for the year end figures. Company position remains optimistic with steady sales, good client base and very little bad or aged debts. Profitability remains our main focus going forward.

We are always looking at our cost base and trying where possible to keep costs to a minimum.

PRINCIPAL RISKS AND UNCERTAINTIES
Business in any field of operation is a risk and we would like to think that we are aware of the risk factors in our business and where possible that we taken steps to mitigate these risks.

FINANCIAL KEY INDICATORS
We continue to closely monitor the ongoing performance and cash position of the business using the financial information available within the company. We endeavour to minimise the impact of financial risks facing the company with the diversification of the business activities ranging from storage of goods to full load movements helping to mitigate against these risks.

FINANCIAL RISK MANAGEMENT
The company's financial instruments comprise cash at bank, overdraft, and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to fund the company's operations as well as to manage its working capital and liquidity.

Credit risk
We carry out credit risk checks on our client base and more so with larger clients. New clients are checked on our system and given an appropriate rating.

Liquidity risk
The company actively maintains a mixture of long-term and short-term debt finance designed to ensure that it has sufficient funds available for current and future operations. The company results are monitored on a month to month basis, with a view to maintaining a strong balance sheet.

ENVIRONMENT
The company is committed to maintaining its high standards for ensuring safe business practice and minimising the environmental impact of its activities where possible.

FUTURE OUTLOOK

As in previous years we have a stable customer base with a good mix of clients, but we still try to expand where possible, but the market place is very competitively priced, so any new business has to be at a rate that enhances the overall business.

All our sites - Inverness, Cumbernauld and Oldmeldrum - are trading well and are all well utilised, all sites cross docking freight from all sites.

We have been trying to expand sales/minimise costs during this year to aid the return to profitability. Figures are better, but we will continue on that same theme through the 2019/20 trading year.

Overall a better result, but can be improved upon.

ON BEHALF OF THE BOARD:

D Mitchell - Director

22 October 2019

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2019

The directors present their report with the financial statements of the company for the year ended 30 April 2019.

DIVIDENDS
The total distribution of dividends for the year ended 30 April 2019 will be £ 34,950 .

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

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

D Mitchell
N Keddie

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

AUDITORS
The auditors, Bain Henry Reid, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D Mitchell - Director

22 October 2019

Opinion
We have audited the financial statements of Caledonian Logistics Limited (the 'company') for the year ended 30 April 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 April 2019 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.

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

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

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

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

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

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

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

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

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

Alan W Marr (Senior Statutory Auditor)
for and on behalf of Bain Henry Reid
Statutory Auditors
Chartered Accountants
4 West Craibstone Street
Bon-Accord Square
ABERDEEN
AB11 6YL

24 October 2019

INCOME STATEMENT
FOR THE YEAR ENDED 30 APRIL 2019

	Notes	2019 £	2018 £
TURNOVER	3	**13,811,621**	13,088,688
Cost of sales		**11,114,783**	10,514,302
GROSS PROFIT		**2,696,838**	2,574,386
Administrative expenses		**2,920,270**	2,858,602
		(223,432)	(284,216)
Other operating income		**150,629**	188,271
OPERATING LOSS	5	**(72,803)**	(95,945)
Interest payable and similar expenses	6	**153,286**	54,370
LOSS BEFORE TAXATION		**(226,089)**	(150,315)
Tax on loss	7	**(121,118)**	(78,050)
LOSS FOR THE FINANCIAL YEAR		**(104,971)**	(72,265)

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2019

	Notes	2019 £	2018 £
LOSS FOR THE YEAR		**(104,971)**	(72,265)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(104,971)**	(72,265)

The notes form part of these financial statements

BALANCE SHEET
30 APRIL 2019

	Notes	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	9		**2,733,208**		2,702,772
CURRENT ASSETS					
Debtors	10	**2,320,037**		3,064,420	
Cash at bank and in hand		**62,730**		32,320	
		2,382,767		3,096,740	
CREDITORS					
Amounts falling due within one year	11	**3,369,198**		3,834,428	
NET CURRENT LIABILITIES			**(986,431)**		(737,688)
TOTAL ASSETS LESS CURRENT LIABILITIES			**1,746,777**		1,965,084
CREDITORS					
Amounts falling due after more than one year	12		**(821,537)**		(862,797)
PROVISIONS FOR LIABILITIES	16		**(44,832)**		(81,958)
NET ASSETS			**880,408**		1,020,329
CAPITAL AND RESERVES					
Called up share capital	17		**19,286**		19,286
Capital redemption reserve	18		**34,286**		34,286
Retained earnings	18		**826,836**		966,757
SHAREHOLDERS' FUNDS			**880,408**		1,020,329

The financial statements were approved by the Board of Directors on 22 October 2019 and were signed on its behalf by:

D Mitchell - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 May 2017	19,286	1,054,022	34,286	1,107,594
Changes in equity				
Dividends	-	(15,000)	-	(15,000)
Total comprehensive income	-	(72,265)	-	(72,265)
Balance at 30 April 2018	19,286	966,757	34,286	1,020,329
Changes in equity				
Dividends	-	(34,950)	-	(34,950)
Total comprehensive income	-	(104,971)	-	(104,971)
Balance at 30 April 2019	19,286	826,836	34,286	880,408

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	**841,277**	(56,061)
Interest paid		**(131,620)**	(35,718)
Interest element of hire purchase payments paid		**(21,666)**	(18,652)
Tax paid		**46,559**	-
Net cash from operating activities		**734,550**	(110,431)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(259,806)**	(261,052)
Sale of tangible fixed assets		**40,707**	875
Net cash from investing activities		**(219,099)**	(260,177)
Cash flows from financing activities			
New loans in year		**153,215**	-
Loan repayments in year		**(141,208)**	(57,769)
Capital repayments in year		**62,516**	64,304
Amount introduced by directors		**68,000**	25,000
Amount withdrawn by directors		**(91,256)**	(34,100)
Equity dividends paid		**(34,950)**	(15,000)
Net cash from financing activities		**16,317**	(17,565)
Increase/(decrease) in cash and cash equivalents		**531,768**	(388,173)
Cash and cash equivalents at beginning of year	2	**(1,926,786)**	(1,538,613)
Cash and cash equivalents at end of year	2	**(1,395,018)**	(1,926,786)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2019

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019	2018
	£	£
Loss before taxation	**(226,089)**	(150,315)
Depreciation charges	**201,472**	161,503
Profit on disposal of fixed assets	**(12,809)**	(256)
Finance costs	**153,286**	54,370
	115,860	65,302
Decrease/(increase) in trade and other debtors	**780,072**	(148,743)
(Decrease)/increase in trade and other creditors	**(54,655)**	27,380
Cash generated from operations	**841,277**	(56,061)

2. CASH AND CASH EQUIVALENTS

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

Year ended 30 April 2019

	30/4/19	**1/5/18**
	£	**£**
Cash and cash equivalents	**62,730**	**32,320**
Bank overdrafts	**(1,457,748)**	**(1,959,106)**
	(1,395,018)	**(1,926,786)**

Year ended 30 April 2018

	30/4/18	1/5/17
	£	£
Cash and cash equivalents	32,320	10
Bank overdrafts	(1,959,106)	(1,538,623)
	(1,926,786)	(1,538,613)

The notes form part of these financial statements

1. STATUTORY INFORMATION

Caledonian Logistics 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historic cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

Going concern
The directors, having made due and careful enquiry, are of the opinion that the company will be able to maintain positive cash flows over the next 12 months. The directors have therefore made an informed judgement at the time of approving the financial statements that the company is a going concern. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Significant judgements and estimates
Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Estimated useful lives and residual values of tangible fixed assets
The annual depreciation charge for tangible fixed assets has been based on the estimated useful lives and residual values of the assets deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from rendering of services.

Rendering of services
The company provides road haulage and storage facility services. When the outcome of a transaction for the rendering of services can be estimated reliably in terms of revenue, cost and its stage of completion, the company recognises revenue on the sale of services in the reporting period in which the services are rendered by reference to the stage of completion of the specific transaction at the end of the reporting period. The stage of completion is determined on the basis of the actual completion of a proportion of the total services to be rendered.

When the outcome of a service contract cannot be estimated reliably the company only recognises revenue to the extent of the recoverable expenses recognised.

Rental income
Rental income from freehold property or from subletting leased premises is recognised on a straight-line basis over the term of the relevant lease. Rental income is included in other operating income.

2. ACCOUNTING POLICIES - continued

Tangible fixed assets
Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their estimated useful life or, if held under a finance lease, over the term of the lease, whichever is the shorter. The rates applicable are:

Freehold property	- 4% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 25% on reducing balance

Impairment of assets
At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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

Current or deferred taxation assets and liabilities are not discounted.

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

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments
Leases are classified as finance leases or hire purchase contracts whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Assets held under finance lease or hire purchase contracts are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease or hire purchase contract obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases or hire purchase contracts are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to the profit or loss on a straight line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

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.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Loans to employees or key management (being repayable on demand) are measured at the undiscounted amount of the cash or other consideration expected to be received.

Creditors
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Directors' loans (being repayable on demand) are measured at the undiscounted amount of the cash or other consideration expected to be paid.

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next twelve months. The provision is measured at the salary cost payable for the period of absence.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

Provisions for liabilities
Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

3. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	**4,083,906**	4,077,477
Social security costs	**351,052**	353,120
Other pension costs	**56,289**	44,438
	4,491,247	4,475,035

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

	2019	2018
Direct	**102**	100
Administration & management	**30**	29
	132	129

	2019	2018
	£	£
Directors' remuneration	**106,106**	157,463
Directors' pension contributions to money purchase schemes	**2,033**	12,685

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

Money purchase schemes	**2**	2

5. OPERATING LOSS

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

	2019	2018
	£	£
Operating leases	**2,011,981**	2,026,489
Depreciation - owned assets	**57,330**	42,572
Depreciation - assets on hire purchase contracts	**144,142**	118,930
Profit on disposal of fixed assets	**(12,809)**	(256)
Auditors' remuneration	**12,330**	20,735
Auditors' remuneration for non audit work	**4,550**	6,915

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest	**16**	2,582
Bank loan interest	**21,159**	20,664
Invoice discounting interest	**-**	5,455
HMRC interest & penalties	**69,910**	7,017
Loan	**40,535**	-
Hire purchase interest	**21,666**	18,652
	153,286	54,370

7. TAXATION

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

	2019	2018
	£	£
Current tax:		
R&D credit	**(83,992)**	(46,559)
Deferred tax	**(37,126)**	(31,491)
Tax on loss	**(121,118)**	(78,050)

Reconciliation of total tax credit included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Loss before tax	**(226,089)**	(150,315)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	**(42,957)**	(28,560)
Effects of:		
Expenses not deductible for tax purposes	**13,804**	1,895
Income not taxable for tax purposes	**(8,846)**	-
Other tax adjustments	**873**	(4,826)
R & D credit	**(83,992)**	(46,559)
Total tax credit	**(121,118)**	(78,050)

8. DIVIDENDS

	2019	2018
	£	£
Interim	**34,950**	15,000

9. TANGIBLE FIXED ASSETS

	Heritable property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 May 2018	**2,234,532**	**43,258**	**192,028**
Additions	**-**	**17,245**	**1,060**
Disposals	**-**	**(2,350)**	**(15,711)**
At 30 April 2019	**2,234,532**	**58,153**	**177,377**
DEPRECIATION			
At 1 May 2018	**147,915**	**25,260**	**127,718**
Charge for year	**108**	**6,758**	**16,396**
Eliminated on disposal	**-**	**(2,350)**	**(15,711)**
At 30 April 2019	**148,023**	**29,668**	**128,403**
NET BOOK VALUE			
At 30 April 2019	**2,086,509**	**28,485**	**48,974**
At 30 April 2018	2,086,617	17,998	64,310

	Motor vehicles £	Office equipment £	Totals £
COST			
At 1 May 2018	**1,276,095**	**134,378**	**3,880,291**
Additions	**240,265**	**1,236**	**259,806**
Disposals	**(133,100)**	**(10,994)**	**(162,155)**
At 30 April 2019	**1,383,260**	**124,620**	**3,977,942**
DEPRECIATION			
At 1 May 2018	**776,707**	**99,919**	**1,177,519**
Charge for year	**168,291**	**9,919**	**201,472**
Eliminated on disposal	**(105,241)**	**(10,955)**	**(134,257)**
At 30 April 2019	**839,757**	**98,883**	**1,244,734**
NET BOOK VALUE			
At 30 April 2019	**543,503**	**25,737**	**2,733,208**
At 30 April 2018	499,388	34,459	2,702,772

Depreciation has not been provided for on freehold heritable property this year on the basis that residual value is considered to be in excess of net book value.

9. TANGIBLE FIXED ASSETS - continued

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

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 May 2018	**15,200**	**593,210**	**608,410**
Additions	**-**	**240,265**	**240,265**
At 30 April 2019	**15,200**	**833,475**	**848,675**
DEPRECIATION			
At 1 May 2018	**950**	**222,856**	**223,806**
Charge for year	**3,562**	**140,580**	**144,142**
At 30 April 2019	**4,512**	**363,436**	**367,948**
NET BOOK VALUE			
At 30 April 2019	**10,688**	**470,039**	**480,727**
At 30 April 2018	14,250	370,354	384,604

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	**2,017,036**	2,747,564
Other debtors	**4,381**	8,417
Directors' loan accounts	**130,854**	132,598
Tax	**117,142**	79,709
Prepayments and accrued income	**50,624**	96,132
	2,320,037	3,064,420

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts (see note 13)	**1,517,748**	2,019,106
Other loans (see note 13)	**69,865**	-
Hire purchase contracts (see note 14)	**169,781**	123,863
Trade creditors	**814,388**	1,114,299
Social security and other taxes	**135,675**	162,902
VAT	**323,953**	187,381
Other creditors	**74,806**	9,334
Directors' loan accounts	**-**	25,000
Accruals	**262,982**	192,543
	3,369,198	3,834,428

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

	2019	2018
	£	£
Bank loans (see note 13)	**571,955**	629,813
Hire purchase contracts (see note 14)	**249,582**	232,984
	821,537	862,797

13. LOANS

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	**1,457,748**	1,959,106
Bank loans	**60,000**	60,000
Other loans	**69,865**	-
	1,587,613	2,019,106
Amounts falling due between one and two years:		
Bank loans - 1-2 years	**60,000**	60,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	**180,000**	180,000
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	**331,955**	389,813

The property loan is repayable monthly over 15 years, interest is charged at 3% per annum over the bank's sterling base rate.

The other loan is fully repaid next year.

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	**169,781**	123,863
Between one and five years	**249,582**	232,984
	419,363	356,847

14. **LEASING AGREEMENTS - continued**

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	**1,631,067**	1,580,321
Between one and five years	**3,941,769**	3,301,614
In more than five years	**564,986**	945,126
	6,137,822	5,827,061

Certain operating leases have policies where charges are levied when mileage limits are exceeded. Any potential charge is not expected to be material.

Operating lease commitments - Income

Minimum income from operating leases is receivable as follows:

£ £	Non-cancellable operating leases 2019	2018
Within one year	47,368	108,233
Between one and five years	-	33,190
In more than five years	-	-
	47,368	141,423

15. **SECURED DEBTS**

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdrafts	**1,457,748**	1,959,106
Bank loans	**631,955**	689,813
Hire purchase contracts	**419,363**	356,847
	2,509,066	3,005,766

The bank loan and overdrafts are secured by a first legal charge over the property at Caledonian House, Midmill Industrial Estate, Kintore and a floating charge over the remaining assets of the company.

Net obligations under hire purchase contracts are secured on the assets acquired.

16. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	**106,297**	107,331
Tax losses carried forward	**(184,070)**	(147,978)
Other timing differences	**122,605**	122,605
	44,832	81,958

	Deferred tax
	£
Balance at 1 May 2018	**81,958**
Provided during year	**(37,126)**
Balance at 30 April 2019	**44,832**

The amount of the net reversal of deferred tax expected to occur next year is £27,734 (2018: £27,514), relating to the reversal of existing timing differences on tangible fixed assets.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
19,286	Ordinary	£1	**19,286**	19,286

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distributions, including a distribution arising from a winding up of the company.

18. RESERVES

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 May 2018	**966,757**	**34,286**	**1,001,043**
Deficit for the year	**(104,971)**		**(104,971)**
Dividends	**(34,950)**		**(34,950)**
At 30 April 2019	**826,836**	**34,286**	**861,122**

Capital redemption reserve
This reserve records the nominal value of shares repurchased by the company.

Retained earnings
This reserve records all current and prior period retained profit and loss.

19. PENSION COMMITMENTS

The company operates a defined contribution scheme. £13,698 was outstanding at the year end (2018: £9,213).

20. CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted but not provided for in the financial statements	-	177,540

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Details of directors loan account transactions and the year end balance are as follows:

	2019	2018
£	£	
Mr D Mitchell:		
Amount due to/(from) the director at start of year	(132,598)	(132,598)
Paid to director during the year	(1,255)	-
Received from director during year	3,000	-
Amount due to/(from) the director at end of year	(130,853)	(132,598)

	2019	2018
£	£	
Mr N Keddie:		
Amount due to/(from) the director at start of year	25,000	34,100
Paid to director during the year	(90,000)	(34,100)
Received from director during year	65,000	25,000
Amount due to/(from) director at end of year	-	25,000

The loans are unsecured, interest free and repayable on demand.

22. RELATED PARTY DISCLOSURES

Key management personnel of the entity or its parent (in the aggregate)

	2019	2018
	£	£
Key management personnel compensation	**265,128**	318,412
Dividends paid to directors	**34,950**	15,000

23. POST BALANCE SHEET EVENTS

The financial statements were authorised for issue on 22 October 2019 by the board of directors.

24. ULTIMATE CONTROLLING PARTY

The company is controlled by Mr D Mitchell, a director of the company, by virtue of his 100% interest in the ordinary share capital.

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