

ATL HAULAGE CONTRACTORS LIMITED

Financial Statements

31 December 2022



Company registration number: 06771410

ATL HAULAGE CONTRACTORS LIMITED

Financial statements

31 December 2022

ATL HAULAGE CONTRACTORS LIMITED

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ATL HAULAGE CONTRACTORS LIMITED

Directors and other information

Director	Amit Karia
Company number	06771410
Registered office	London Gateway Logistics Park South 3, Pacific Avenue Stanford-Le-Hope Essex SS17 9FA
Business address	London Gateway Logistics Park South 3, Pacific Avenue Stanford-Le-Hope Essex SS17 9FA
Auditor	Xeinadin Audit Limited Becket House 36 Old Jewry London EC2R 8DD
Accountants	Robinson Sterling 616D Green Lane Ilford Essex IG3 9SE
Bankers	Santander Bank PLC Corporate Banking 90 High Street Chelmsford CM1 1DY

ATL HAULAGE CONTRACTORS LIMITED

Strategic report Year ended 31 December 2022

Review of business

The results for the company show sales of £41,851,606 (2021: £28,772,153) and pre-tax profits of £2,559,754 (2021: £917,623).

The financial year ended 31 December 2022 has seen a significant increase in the company's overall business and profitability. Revenue per mile increased whilst cost per mile decreased; revenue growth was driven by numerous influences including fuel surcharges on the back of global fuel price increases, continued demand for road freight and underlying rate increases to normalise driver wage levels. The continuation of the systemisation of business processes has led to significant efficiencies in productivity, cost reduction and profitability.

The post-pandemic trading environment has been buoyant with unprecedented demand for road haulage services and the company has expanded its subcontractor base and own vehicle numbers to service volume from existing clients. An underlying shift in global supply chain operations has facilitated increased vehicle utilisation, container throughput and improved synergies.

The forecast for the next financial year looks positive as the company continues to invest in the most fuel-efficient vehicles and deploy the latest technology towards the goal of digitalisation. The company will capitalise on continued organic growth from its core client base and strategic and targeted new business wins to increase underlying margins.

Principal risks and uncertainties

The director regularly assesses and evaluates the main risks to the company in achieving its business objectives. The relationship with customers and suppliers is key to the business being able to operate, together with a stable political and economic climate.

The impact of Brexit and COVID -19 still represent a small risk to business, particularly in respect of business interruption. The director considers the company to be in an enviable and strong position post pandemic with the resources available to continue delivering increased sales and improved margins.

The disruption to business as a result of the driver crisis was minimal due to the company's continued investment in its workforce, working environment, remuneration and employment benefits. Driver retention surcharges were introduced to bridge the wage gap and have contributed to revenue growth.

The ongoing delays in the manufacture of plant and machinery has seen the company push forward capital expenditure into the next financial year and extend the useful life of current assets.

The director acknowledges the risks and uncertainty surrounding interest rates and where applicable, company policy is to enter into fixed rate agreements only.

Brexit

Brexit concerns have largely been mitigated yet still pose certain business risks. Brexit has invariably caused a disruption to supply chains due to cross border delays and the re-introduction of necessary customs regulations resulting in additional processing and increased transit times.

Coronavirus - COVID 19

The effects of the COVID-19 pandemic have receded to a point where the impact is now very limited. The introduction of measures by the director has mitigated the impact. The pandemic provided the opportunity for the company to review business processes and costs, strengthen the business identity and presence through digitalisation and embrace new ways of working.

ATL HAULAGE CONTRACTORS LIMITED

Strategic report (continued)
Year ended 31 December 2022

Key performance indicators

The company uses many key performance indicators to manage and monitor the performance of the business, the emphasis on this element of reporting has increased and will continue to increase providing all stakeholders a clear and precise understanding of the company's performance. The key performance indicators offer the opportunity for the business to react promptly to opportunities and threats.

This report was approved by the board of directors on 21 August 2023 and signed on behalf of the board by:



Amit Karia
Director

ATL HAULAGE CONTRACTORS LIMITED

Director's report Year ended 31 December 2022

The director presents his report and the financial statements of the company for the year ended 31 December 2022.

Director

The director who served the company during the year was as follows:

Amit Karia

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Future developments

The impact on continued operations of Brexit has diminished to a manageable level.

The uncertainties affecting the international shipping sector due to the Covid-19 pandemic have stabilised and the company continues to capitalise on the bottleneck of undelivered containers at international ports.

The measures put in place by the director to mitigate any future negative impacts on the company's business operations arising from Brexit and the Covid-19 pandemic have proved successful. It is expected that the company's gross margin and profitability will continue to improve throughout 2023. Core business commitments have been renewed or extended resulting in continuity of operations, whilst margins have steadily increased in line with the sector as a whole.

The company has and will continue to benefit from the exploitation of enhanced workflow synergies.

In conjunction with new business wins, the director believes FYE 2023 will show sustained growth and improvements in performance measures and underlying EBITDA.

Going concern

As at 31 December 2022, the company's current liabilities exceeded its current assets by £674,110 (2021: £1,485,900).

These accounts have been prepared on a going concern basis, since the company's five-year cashflow forecasts, and existing contractual commitments with its key customers, clearly show that the company will continue to trade profitably and meet its liabilities as they fall due over the over the next 12 months from the date of approval of these accounts.

Financial instruments

The company does not actively use financial instruments as a part of its financial risk management. It is exposed to usual credit risks and cash flow associated with selling on credit and manages these risks through effective credit control procedures and credit insurance.

ATL HAULAGE CONTRACTORS LIMITED

Director's report (continued) Year ended 31 December 2022

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report 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 they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent; and
- 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 him 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 21 August 2023 and signed on behalf of the board by:



Amit Karia
Director

ATL HAULAGE CONTRACTORS LIMITED

Independent auditor's report to the members of ATL HAULAGE CONTRACTORS LIMITED Year ended 31 December 2022

Opinion

We have audited the financial statements of ATL HAULAGE CONTRACTORS LIMITED (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the period of at least 12 months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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.

ATL HAULAGE CONTRACTORS LIMITED

Independent auditor's report to the members of ATL HAULAGE CONTRACTORS LIMITED (continued) Year ended 31 December 2022

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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report has 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 director's report.

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 the 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 directors

As explained more fully in the director's responsibilities statement, 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 is 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.

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing potential risks related to irregularities, including fraud

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

ATL HAULAGE CONTRACTORS LIMITED

Independent auditor's report to the members of ATL HAULAGE CONTRACTORS LIMITED (continued) Year ended 31 December 2022

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 an auditors report 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.



Mukesh Pandit (Senior Statutory Auditor)

**For and on behalf of
Xeinaudit Limited**

Becket House
36 Old Jewry
London
EC2R 8DD

21 August 2023

ATL HAULAGE CONTRACTORS LIMITED

**Statement of comprehensive income
Year ended 31 December 2022**

	Note	2022 £	2021 £
Turnover	4	41,851,606	28,772,153
Cost of sales		(34,336,916)	(23,721,082)
Gross profit		<u>7,514,690</u>	<u>5,051,071</u>
Administrative expenses		(4,715,833)	(4,091,516)
Other operating income	5	<u>22,005</u>	<u>86,701</u>
Operating profit	6	2,820,862	1,046,256
Interest payable and similar expenses	10	(261,108)	(128,633)
Profit before taxation		2,559,754	917,623
Tax on profit	12	(449,327)	(161,789)
Profit for the financial year and total comprehensive income		<u><u>2,110,427</u></u>	<u><u>755,834</u></u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 25 form part of these financial statements.

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**Statement of financial position
31 December 2022**

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	9,713,858		7,459,209	
			9,713,858		7,459,209
Current assets					
Stocks	15	197,859		188,122	
Debtors	16	8,816,867		6,533,148	
Cash at bank and in hand		1,323,187		338,253	
			10,337,913		7,059,523
Creditors: amounts falling due within one year	17	(11,012,023)		(8,545,423)	
Net current liabilities			(674,110)		(1,485,900)
Total assets less current liabilities			9,039,748		5,973,309
Creditors: amounts falling due after more than one year	18		(4,708,291)		(3,472,606)
Provisions for liabilities	20		(1,224,596)		(775,269)
Net assets			3,106,861		1,725,434
Capital and reserves					
Called up share capital	25		1,000		1,000
Profit and loss account			3,105,861		1,724,434
Shareholders funds			3,106,861		1,725,434

These financial statements were approved by the board of directors and authorised for issue on 21 August 2023, and are signed on behalf of the board by:



Amit Karia
Director

Company registration number: 06771410

The notes on pages 13 to 25 form part of these financial statements.

ATL HAULAGE CONTRACTORS LIMITED

**Statement of changes in equity
Year ended 31 December 2022**

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2021	1,000	1,465,600	1,466,600
Profit for the year	<u> </u>	755,834	755,834
Total comprehensive income for the year	-	755,834	755,834
Dividends paid and payable	<u> </u>	(497,000)	(497,000)
Total investments by and distributions to owners	-	(497,000)	(497,000)
At 31 December 2021 and 1 January 2022	<u>1,000</u>	<u>1,724,434</u>	<u>1,725,434</u>
Profit for the year	<u> </u>	2,110,427	2,110,427
Total comprehensive income for the year	-	2,110,427	2,110,427
Dividends paid and payable	<u> </u>	(729,000)	(729,000)
Total investments by and distributions to owners	-	(729,000)	(729,000)
At 31 December 2022	<u>1,000</u>	<u>3,105,861</u>	<u>3,106,861</u>

ATL HAULAGE CONTRACTORS LIMITED

**Statement of cash flows
Year ended 31 December 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Profit for the financial year	2,110,427	755,834
<i>Adjustments for:</i>		
Depreciation of tangible assets	1,013,973	750,020
Government grant income	-	(25,200)
Interest payable and similar expenses	261,108	128,633
Gain/(loss) on disposal of tangible assets	49,579	105,579
Tax on profit	449,327	161,789
Accrued expenses/(income)	(90,763)	942
<i>Changes in:</i>		
Stocks	(9,737)	(54,484)
Trade and other debtors	(2,132,436)	(1,862,199)
Trade and other creditors	2,382,631	1,808,262
Cash generated from operations	4,034,109	1,769,176
Interest paid	(261,108)	(128,633)
Tax paid	-	(90,677)
Net cash from operating activities	<u>3,773,001</u>	<u>1,549,866</u>
Cash flows from investing activities		
Purchase of tangible assets	(5,486,201)	(1,103,588)
Proceeds from sale of tangible assets	2,168,000	80,000
Net cash used in investing activities	<u>(3,318,201)</u>	<u>(1,023,588)</u>
Cash flows from financing activities		
Proceeds from borrowings	(374,085)	(101,490)
Government grant income	-	25,200
Payment of finance lease liabilities	1,633,219	(610,709)
Equity dividends paid	(729,000)	(497,000)
Net cash from/(used in) financing activities	<u>530,134</u>	<u>(1,183,999)</u>
Net increase/(decrease) in cash and cash equivalents	984,934	(657,721)
Cash and cash equivalents at beginning of year	338,253	995,974
Cash and cash equivalents at end of year	<u>1,323,187</u>	<u>338,253</u>

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements Year ended 31 December 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is London Gateway Logistics Park, South 3, Pacific Avenue, Stanford-Le-Hope, Essex, SS17 9FA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At the time of approving the financial statements, the Director has a reasonable expectation that the company has adequate resources to continue operation existence for the foreseeable future.

Based on the company's five-year cashflow forecasts, and existing contractual commitments with its key customers, clearly show that the company will continue to trade profitably and meet its liabilities as they fall due over the over the next 12 months future from the date of approval of these accounts.

The Director has assessed that the going concern basis of accounting continues to apply in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued) Year ended 31 December 2022

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	- 10%	straight line
Plant and machinery	- 10%	reducing balance
Fittings fixtures and equipment	- 25%	reducing balance
Computer equipment	- 25%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued) Year ended 31 December 2022

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Hire purchase and finance leases

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued) Year ended 31 December 2022

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2022	2021
	£	£
Rendering of services	37,595,353	25,930,569
Other sales	4,256,253	2,841,584
	<u>41,851,606</u>	<u>28,772,153</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

5. Other operating income

	2022	2021
	£	£
Rental income	22,005	61,501
Government grant income	-	25,200
	<u>22,005</u>	<u>86,701</u>

6. Operating profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible assets	1,013,973	750,020
(Gain)/loss on disposal of tangible assets	49,579	105,579
Fees payable for the audit of the financial statements	8,000	6,000
	<u>1,071,552</u>	<u>1,861,609</u>

7. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

	2022	2021
Distribution staff	104	92
Administrative staff	42	32
	<u>146</u>	<u>124</u>

The aggregate payroll costs incurred during the year were:

	2022	2021
	£	£
Wages and salaries	6,737,954	5,514,803
Social security costs	569,377	409,905
Other pension costs	103,903	85,982
	<u>7,411,234</u>	<u>6,010,690</u>

8. Directors remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	<u>24,000</u>	<u>24,000</u>

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

9. Exceptional items

	2022	2021
	£	£
Disguised remuneration	-	397,891
	<u> </u>	<u> </u>

As at 31 December 2021, the company had entered into an agreement with HMRC to settle its outstanding liability, under the government's disguised remuneration legislation relating to the contractor's loan scheme.

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank loans and overdrafts	29,345	2,692
Other loans made to the company:		
Finance leases and hire purchase contracts	206,127	105,463
Other interest payable and similar expenses	25,636	20,478
	<u>261,108</u>	<u>128,633</u>

11. Earnings per share

Basic earnings/(loss) per share

The earnings/(loss) and weighted average number of shares used in the calculation of basic earnings/(loss) per share are as follows:

	2022	2021
	£	£
Profit for the year attributable to the owners of the company	2,110,427	755,834
	<u> </u>	<u> </u>

Diluted earnings/(loss) per share

The earnings/(loss) and weighted average number of shares used in the calculation of diluted earnings/(loss) per share are as follows:

	2022	2021
	£	£
Earnings/(loss) used in calculation of basic earnings/(loss) per share	2,110,427	755,834
	<u> </u>	<u> </u>

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

12. Tax on profit

Major components of tax expense

	2022	2021
	£	£
Deferred tax:		
Origination and reversal of timing differences	449,327	161,789
Tax on profit	<u>449,327</u>	<u>161,789</u>

Reconciliation of tax expense

The tax assessed on the profit for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%).

	2022	2021
	£	£
Profit before taxation	<u>2,559,754</u>	<u>917,623</u>
Profit multiplied by rate of tax	486,353	174,348
Effect of expenses not deductible for tax purposes	15,627	10,286
Effect of capital allowances and depreciation	(1,125,139)	(174,369)
Utilisation of tax losses	-	(10,265)
Unrelieved tax losses	623,159	-
Deferred tax	449,327	161,789
Tax on profit	<u>449,327</u>	<u>161,789</u>

13. Dividends

Equity dividends

	2022	2021
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>729,000</u>	<u>497,000</u>

ATL HAULAGE CONTRACTORS LIMITED

**Notes to the financial statements (continued)
Year ended 31 December 2022**

14. Tangible assets

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost					
At 1 January 2022	925,750	8,471,494	156,264	264,143	9,817,651
Additions	171,586	5,286,398	16,441	11,776	5,486,201
Disposals	-	(2,944,905)	-	-	(2,944,905)
At 31 December 2022	<u>1,097,336</u>	<u>10,812,987</u>	<u>172,705</u>	<u>275,919</u>	<u>12,358,947</u>
Depreciation					
At 1 January 2022	158,978	1,939,652	94,297	165,515	2,358,442
Charge for the year	219,467	747,303	19,602	27,601	1,013,973
Disposals	-	(727,326)	-	-	(727,326)
At 31 December 2022	<u>378,445</u>	<u>1,959,629</u>	<u>113,899</u>	<u>193,116</u>	<u>2,645,089</u>
Carrying amount					
At 31 December 2022	<u>718,891</u>	<u>8,853,358</u>	<u>58,806</u>	<u>82,803</u>	<u>9,713,858</u>
At 31 December 2021	<u>766,772</u>	<u>6,531,842</u>	<u>61,967</u>	<u>98,628</u>	<u>7,459,209</u>

Obligations under finance leases

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £
At 31 December 2022	<u>8,425,918</u>
At 31 December 2021	<u>6,227,545</u>

15. Stocks

	2022 £	2021 £
Diesel, oil and spares	<u>197,859</u>	<u>188,122</u>

ATL HAULAGE CONTRACTORS LIMITED

**Notes to the financial statements (continued)
Year ended 31 December 2022**

16. Debtors

	2022	2021
	£	£
Trade debtors	6,918,763	5,421,101
Prepayments and accrued income	320,826	215,148
Other debtors	1,577,278	896,899
	<u>8,816,867</u>	<u>6,533,148</u>

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	272,665	397,055
Trade creditors	3,200,572	1,907,436
Accruals and deferred income	12,999	12,697
Corporation tax	60,218	-
Social security and other taxes	520,890	654,661
Obligations under finance leases	1,862,470	1,714,631
Other creditors	5,082,209	3,858,943
	<u>11,012,023</u>	<u>8,545,423</u>

Other creditors include an amount of £4,845,560 (2021- £3,735,136) due to HSBC Invoice Finance UK Limited which is secured by way of a fixed and floating charge over the assets of the company.

18. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	393,822	643,517
Obligations under finance leases	4,314,469	2,829,089
	<u>4,708,291</u>	<u>3,472,606</u>

Bank loans are secured by way of a debenture creating a fixed and floating charge over the assets of the company.

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

19. Obligations under finance leases

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2022	2021
	£	£
Not later than 1 year	1,862,470	1,714,631
Later than 1 year and not later than 5 years	4,314,469	2,829,089
	<u>6,176,939</u>	<u>4,543,720</u>
Present value of minimum lease payments	<u>6,176,939</u>	<u>4,543,720</u>

20. Provisions

	Deferred tax (note 21)	Total
	£	£
At 1 January 2022	775,269	775,269
Additions	449,327	449,327
At 31 December 2022	<u>1,224,596</u>	<u>1,224,596</u>

21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in provisions (note 20)	<u>1,224,596</u>	<u>775,269</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	2,161,807	775,269
Unused tax losses	(937,211)	-
	<u>1,224,596</u>	<u>775,269</u>

22. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £103,903 (2021: £85,982).

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	-	25,200
	<u> </u>	<u> </u>

24. Financial instruments

The company does not actively use finance instruments as a part of its financial risk management. It is exposed to usual credit risks and cash flow associated with selling on credit and manages these risks through effective credit control procedures.

25. Called up share capital
Issued, called up and fully paid

	2022		2021	
	No	£	No	£
	1,000	1,000	1,000	1,000
Ordinary shares of £ 1.00 each	<u> </u>	<u> </u>	<u> </u>	<u> </u>

26. Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash and cash equivalents	338,253	984,934	1,323,187
Debt due within one year	(2,111,686)	(23,449)	(2,135,135)
Debt due after one year	(3,472,606)	(1,235,685)	(4,708,291)
	<u> </u>	<u> </u>	<u> </u>
	<u>(5,246,039)</u>	<u>(274,200)</u>	<u>(5,520,239)</u>

ATL HAULAGE CONTRACTORS LIMITED

**Notes to the financial statements (continued)
Year ended 31 December 2022**

27. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Later than 1 year and not later than 5 years	<u>630,328</u>	<u>509,576</u>

28. Directors advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2022		
	Balance brought forward £	Advances /(credits) to the director £	Balance o/standing £
Amit Karia	<u>531,951</u>	<u>179,501</u>	<u>711,452</u>
	2021		
	Balance brought forward £	Advances /(credits) to the director £	Balance o/standing £
Amit Karia	<u>533,027</u>	<u>(1,076)</u>	<u>531,951</u>

The amount due to the company from the director as at 31 December 2022 was £711,452 (31 December 2021 - £531,951).

ATL HAULAGE CONTRACTORS LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2022

29. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2022	2021	2022	2021
	£	£	£	£
Subcontractor payments	1,020,000	980,000	(258,736)	(96,760)
Recharges of expenses received	242,430	6,600	39,995	-
	<u>242,430</u>	<u>6,600</u>	<u>39,995</u>	<u>-</u>

During the year ended 31 December 2022, the company continued its contract for road haulage, logistics and consultancy services with Byclops Limited. Ashik Karia and Jamie Woodward are the directors and the shareholders of Byclops Limited. Ashik Karia is related to Amit Karia, director of ATL Haulage Contractors Limited. The transactions and trading activities between the company and Byclops Limited are conducted at arm's length and on normal commercial terms.