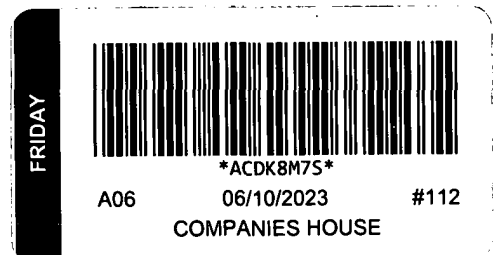


**REGISTERED NUMBER: SC227602 (Scotland)**

Companies House

**A & D LOGISTICS LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**



**A & D LOGISTICS LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2023**

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**A & D LOGISTICS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**DIRECTORS:** Andrew Bolsworth  
Alan George Bolsworth  
Alan Bolsworth

**SECRETARY:** Andrew Bolsworth

**REGISTERED OFFICE:** Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

**REGISTERED NUMBER:** SC227602 (Scotland)

**AUDITORS:** Milne Craig  
Chartered accountants  
Statutory auditor  
Abercorn House  
79 Renfrew Road  
Paisley  
Renfrewshire  
PA3 4DA

**BANKERS:** Bank of Scotland  
167-201 Argyle Street  
Glasgow  
G2 8BU

**A & D LOGISTICS LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their strategic report for the year ended 31 March 2023.

**REVIEW OF BUSINESS**

The key financial highlights are as follows :

	2023	2022	2021
	£	£	£
Turnover	11,855,859	9,330,304	7,844,746
Turnover growth/(decrease)	27.07%	18.94%	(19.75%)
Profit/Loss before tax	1,090,373	661,081	315,535

The net assets of the company have increased from £2,431,869 at 31st March 2022, to £2,459,055 at 31st March 2023.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The market conditions are difficult given the current economic conditions, but the directors consider that the company is well placed to obtain contracts given its experience and business relationships. In addition, the directors seek to control overhead costs in order to maintain the profitability of the group.

The directors have also assessed the potential impact of coronavirus and are not expecting that the long term trading or financial position of the company will be significantly impacted. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**FINANCIAL INSTRUMENTS**

The company's principal instruments comprise bank balances, trade creditors, hire purchase and loans from a commercial bank. The main purpose of these instruments is to finance the company's operations.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors and hire purchase liquidity risks are managed by ensuring sufficient funds are available to meet amounts due.

**ON BEHALF OF THE BOARD:**



Andrew Bolsworth - Secretary

31 August 2023

**A & D LOGISTICS LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of hauliers.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 March 2023 will be £830,000 (2022 - £425,000).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Andrew Bolsworth  
Alan George Bolsworth

Other changes in directors holding office are as follows:

Alan Bolsworth - appointed 24 October 2022

**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.

**ON BEHALF OF THE BOARD:**

  
Andrew Bolsworth - Secretary

31 August 2023

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF A & D LOGISTICS LIMITED**

### **Opinion**

We have audited the financial statements of A & D Logistics Limited (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 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 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
A & D LOGISTICS LIMITED**

**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 three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF A & D LOGISTICS LIMITED**

### **Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, and determined that the most significant are those that relate to the form and content of the financial statements such as the accounting policies and the UK Companies Act 2006.

We assessed how the company is complying with these frameworks by observing the oversight of those charged with governance, the culture of honesty and ethical behaviours and a strong emphasis placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by making an assessment of the key fraud risks to the company, and the manner in which such risks may occur in practice, based on our previous knowledge of the company, as well as an assessment of the current business environment.

Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered higher, we performed audit procedures to address each identified fraud risk, including management override of controls. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We evaluated the design and operational effectiveness of controls put in place to address the risks identified, or that otherwise prevent, deter and detect fraud.

In addition, our audit procedures included enquiring of management concerning actual and potential litigation and claims, and performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. We addressed the fraud risk in relation to revenue recognition by testing completeness and cut off of income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

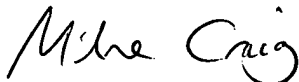
As with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance, and cannot be expected to detect non-compliance with all laws and regulations.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
A & D LOGISTICS LIMITED**

**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.



Alex Webb BAcc FCCA (Senior Statutory Auditor)

for and on behalf of Milne Craig

Chartered accountants

Statutory auditor

Abercorn House

79 Renfrew Road

Paisley

Renfrewshire

PA3 4DA

31 August 2023

**A & D LOGISTICS LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>TURNOVER</b>	3	11,855,859	9,330,304
Cost of sales		(8,427,203)	(7,000,660)
<b>GROSS PROFIT</b>		3,428,656	2,329,644
Administrative expenses		(2,194,400)	(1,733,853)
		1,234,256	595,791
Other operating income		-	110,129
<b>OPERATING PROFIT</b>		1,234,256	705,920
Interest receivable and similar income		2,507	2,710
		1,236,763	708,630
Interest payable and similar expenses	5	(146,390)	(47,549)
<b>PROFIT BEFORE TAXATION</b>	6	1,090,373	661,081
Tax on profit	7	(233,187)	(209,047)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>857,186</u>	<u>452,034</u>

The notes form part of these financial statements

**A & D LOGISTICS LIMITED**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>PROFIT FOR THE YEAR</b>		857,186	452,034
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>857,186</u>	<u>452,034</u>


The notes form part of these financial statements

**A & D LOGISTICS LIMITED (REGISTERED NUMBER: SC227602)**

**BALANCE SHEET  
31 MARCH 2023**

	Notes	2023	2022
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	2,277,577	1,897,904
<b>CURRENT ASSETS</b>			
Stocks	10	71,607	76,378
Debtors	11	4,036,102	3,863,113
Cash at bank and in hand		797,108	208,953
		<u>4,904,817</u>	<u>4,148,444</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	2,192,784	2,608,245
<b>NET CURRENT ASSETS</b>		<u>2,712,033</u>	<u>1,540,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,989,610	3,438,103
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(2,049,666)	(640,016)
<b>PROVISIONS FOR LIABILITIES</b>	18	(480,889)	(366,218)
<b>NET ASSETS</b>		<u><u>2,459,055</u></u>	<u><u>2,431,869</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	1,200	1,200
Retained earnings	20	2,457,855	2,430,669
<b>SHAREHOLDERS' FUNDS</b>		<u><u>2,459,055</u></u>	<u><u>2,431,869</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 August 2023 and were signed on its behalf by:



Andrew Bolsworth - Director

The notes form part of these financial statements

**A & D LOGISTICS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2021</b>	1,200	2,403,635	2,404,835
<b>Changes in equity</b>			
Dividends	-	(425,000)	(425,000)
Total comprehensive income	-	452,034	452,034
<b>Balance at 31 March 2022</b>	<u>1,200</u>	<u>2,430,669</u>	<u>2,431,869</u>
<b>Changes in equity</b>			
Dividends	-	(830,000)	(830,000)
Total comprehensive income	-	857,186	857,186
<b>Balance at 31 March 2023</b>	<u><u>1,200</u></u>	<u><u>2,457,855</u></u>	<u><u>2,459,055</u></u>

The notes form part of these financial statements

## A & D LOGISTICS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. STATUTORY INFORMATION

A & D Logistics Limited is a private company, limited by shares, registered in Scotland. The Company's registered number is SC227602 and registered office address is Abercorn House, 79 Renfrew Road, Paisley, PA3 4DA.

The nature of the Company's operations and its principal activities for the year under review was that of hauliers.

#### 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.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £

##### **Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have assessed the potential impact of coronavirus and are not expecting that the long term trading or financial position of the company will be significantly impacted. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. ACCOUNTING POLICIES - continued**

**Turnover**

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. Consideration is given to the point at which the Company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of 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;
- the costs incurred can be measured reliably.

**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.

- |                     |                           |
|---------------------|---------------------------|
| Plant and machinery | - 25% on reducing balance |
| Motor vehicles      | - 15% on cost             |

**Government grants**

Government grants received in respect of expenditure charges to the profit and loss account during the year have been included in the profit and loss account when received.

**Stocks**

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

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

## A & D LOGISTICS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 2. ACCOUNTING POLICIES - continued

##### **Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

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 is calculated 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.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

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

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

##### **Leases**

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

##### **Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

## A & D LOGISTICS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 2. ACCOUNTING POLICIES - continued

##### Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### 3. TURNOVER

The revenue of the Company is predominately generated in the UK. An analysis of the Company's turnover is as follows:

	2023	2022
	£	£
Rendering of services	11,855,859	9,330,304
	<u>                    </u>	<u>                    </u>

Segmental analysis has not been provided as the directors consider that such disclosure would be prejudicial to the business.

#### 4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	5,027,952	4,243,265
Other pension costs	124,128	90,687
	<u>                    </u>	<u>                    </u>
	<u>5,152,080</u>	<u>4,333,952</u>

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

	2023	2022
General staff	<u>134</u>	<u>119</u>

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**4. EMPLOYEES AND DIRECTORS - continued**

	2023	2022
	£	£
Directors' remuneration	95,417	77,200
Directors' pension contributions to money purchase schemes	32,911	11,287
	<u>          </u>	<u>          </u>

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

Money purchase schemes	<u>          </u> 3	<u>          </u> 2
------------------------	---------------------	---------------------

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£	£
Bank loan interest	88,965	-
Hire purchase	57,425	47,549
	<u>          </u>	<u>          </u>
	146,390	47,549
	<u>          </u>	<u>          </u>

**6. PROFIT BEFORE TAXATION**

The profit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	175,287	274,887
Depreciation - assets on hire purchase contracts	337,721	293,217
Profit on disposal of fixed assets	(450)	(52,089)
Auditors remuneration	10,500	10,000
	<u>          </u>	<u>          </u>

**7. TAXATION**

**Analysis of the tax charge**

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

	2023	2022
	£	£
Current tax:		
UK corporation tax	118,516	39,976
Deferred tax	114,671	169,071
	<u>          </u>	<u>          </u>
Tax on profit	233,187	209,047
	<u>          </u>	<u>          </u>

UK corporation tax has been charged at 19% (2022 - 19%).

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

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

	2023 £	2022 £
Profit before tax	<u>1,090,373</u>	<u>661,081</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	207,171	125,605
Effects of:		
Expenses not deductible for tax purposes	(1,504)	(4,450)
Deferred tax rate changes	<u>27,520</u>	<u>87,892</u>
<b>Total tax charge</b>	<u><u>233,187</u></u>	<u><u>209,047</u></u>

The main rate of corporation tax is 19%. The main rate of UK corporation tax will rise to 25% from 1 April 2023.

**8. DIVIDENDS**

	2023 £	2022 £
Ordinary A shares of £1 each Interim	<u>830,000</u>	<u>425,000</u>

**9. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 April 2022	291,245	6,842,981	7,134,226
Additions	92,791	799,890	892,681
Disposals	-	(26,850)	(26,850)
At 31 March 2023	<u>384,036</u>	<u>7,616,021</u>	<u>8,000,057</u>
<b>DEPRECIATION</b>			
At 1 April 2022	141,310	5,095,012	5,236,322
Charge for year	51,878	461,130	513,008
Eliminated on disposal	-	(26,850)	(26,850)
At 31 March 2023	<u>193,188</u>	<u>5,529,292</u>	<u>5,722,480</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u><u>190,848</u></u>	<u><u>2,086,729</u></u>	<u><u>2,277,577</u></u>
At 31 March 2022	<u><u>149,935</u></u>	<u><u>1,747,969</u></u>	<u><u>1,897,904</u></u>

The net book value of tangible fixed assets includes £1,955,880 (2022 - £1,493,711) in respect of assets held under hire purchase contracts.

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

<b>10. STOCKS</b>	2023 £	2022 £
Stocks	<u>71,607</u>	<u>76,378</u>
<b>11. DEBTORS</b>	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	1,657,903	2,004,485
Amounts owed by group undertakings	636,371	1,414,876
Directors' current accounts	132,970	128,874
Prepayments and accrued income	425,216	314,878
	<u>2,852,460</u>	<u>3,863,113</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>1,183,642</u>	-
Aggregate amounts	<u>4,036,102</u>	<u>3,863,113</u>
<b>12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2023 £	2022 £
Bank loans and overdrafts (see note 14)	177,866	-
Hire purchase contracts (see note 15)	585,929	500,546
Trade creditors	462,409	531,364
Corporation tax	118,517	39,976
Social security and other taxes	111,940	118,958
Value added tax	46,728	249,773
Accruals	691,232	396,277
Factoring account	(1,837)	771,351
	<u>2,192,784</u>	<u>2,608,245</u>
<b>13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	2023 £	2022 £
Bank loans (see note 14)	1,183,642	-
Hire purchase contracts (see note 15)	866,024	640,016
	<u>2,049,666</u>	<u>640,016</u>
<b>14. LOANS</b>		
An analysis of the maturity of loans is given below:		
	2023 £	2022 £
Amounts falling due within one year or on demand:		
Bank loans	<u>177,866</u>	-

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**14. LOANS - continued**

	2023	2022
	£	£
Amounts falling due between one and two years:		
Bank loans - 1-2 years	191,526	-
	<u>191,526</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	992,116	-
	<u>992,116</u>	<u>-</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	585,929	500,546
Between one and five years	866,024	640,016
	<u>1,451,953</u>	<u>1,140,562</u>
	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	122,025	122,025
Between one and five years	76,597	198,622
	<u>198,622</u>	<u>320,647</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	1,361,508	-
Hire purchase contracts	1,451,953	1,140,562
Factoring account	-	771,351
	<u>2,813,461</u>	<u>1,911,913</u>

The bank loans are secured by way of a floating charge over the assets of the company.

The factoring account is secured by way of a floating charge over the company's assets.

Hire purchase creditors are secured over the assets to which they relate.

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**17. FINANCIAL INSTRUMENTS**

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	4,904,817	4,148,444
	<u>4,904,817</u>	<u>4,148,444</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	4,242,450	3,248,261
	<u>4,242,450</u>	<u>3,248,261</u>

**18. PROVISIONS FOR LIABILITIES**

	2023	2022
	£	£
Deferred tax	480,889	366,218
	<u>480,889</u>	<u>366,218</u>
		Deferred tax
		£
Balance at 1 April 2022		366,218
Originating and reversal of timing differences		202,563
Effect of changes in tax rates		(87,892)
		<u>480,889</u>
Balance at 31 March 2023		<u>480,889</u>

Deferred taxation provided in the financial statements is set out below:

	2023	2022
	£	£
Accelerated capital allowances	481,260	366,883
Other timing differences	(371)	(665)
	<u>480,889</u>	<u>366,218</u>
Provision for deferred tax liability	<u>480,889</u>	<u>366,218</u>

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**19. CALLED UP SHARE CAPITAL**

Authorised:			2023	2022
Number:	Class:	Nominal value:	£	£
50,000	'A' ordinary	£1	50,000	50,000
25,000	'B' ordinary	£1	25,000	25,000
25,000	'C' ordinary	£1	25,000	25,000
			100,000	100,000
			100,000	100,000

Allotted, issued and fully paid:			2023	2022
Number:	Class:	Nominal value:	£	£
1,000	'A' ordinary	£1	1,000	1,000
100	'B' ordinary	£1	100	100
100	'C' ordinary	£1	100	100
			1,200	1,200
			1,200	1,200

The ordinary 'A' shares carry full voting rights. The ordinary 'B' shares and ordinary 'C' shares do not carry voting rights.

Dividends of varying amounts are payable on each class of share if so decided by the directors.

**20. RESERVES**

	Retained earnings £
At 1 April 2022	2,430,669
Profit for the year	857,186
Dividends	(830,000)
At 31 March 2023	2,457,855

**Retained earnings**

Includes all current and prior year retained profits and losses less dividends.

**21. PENSION COMMITMENTS**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund and amounted to £124,128 (2022 - £90,687).

Included in accruals at the year end is £3,958 due to the pension scheme (2022 - £7,094).

**22. ULTIMATE PARENT COMPANY**

A & D Logistics Holdings Ltd is regarded by the directors as being the company's ultimate parent company.

**A & D LOGISTICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

At the balance sheet date the director's advances totalled £132,970 (2022 - £128,874). Interest totalling £2,499 (2022 - £2,710) was received in the year in respect of these loans.

The directors have confirmed that these loans will be repaid within 9 months of the year end.

**24. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

All directors have authority and responsibility for planning, directing and controlling the activities of the company and are considered to be key management personnel. Total remuneration in respect of these individuals is £145,000 (2022 - £151,300).

**25. ULTIMATE CONTROLLING PARTY**

No individual in isolation can exercise control over the company.