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Company Registration No. 00517224 (England and Wales)

BORCHARD LINES LIMITED AND SUBSIDIARIES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 APRIL 2019

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BORCHARD LINES LIMITED AND SUBSIDIARIES

COMPANY INFORMATION

Directors	R M Borchard L Brenden D Borchard
Company number	00517224
Registered office	10 Chiswell Street London EC1Y 4XY
Auditor	FSPG 21 Bedford Square London WC1B 3HH

BORCHARD LINES LIMITED AND SUBSIDIARIES

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BORCHARD LINES LIMITED AND SUBSIDIARIES

STRATEGIC REPORT

FOR THE YEAR ENDED 2 APRIL 2019

The directors present the strategic report for the year ended 2 April 2019.

Fair review of the business

The directors consider the results achieved and the state of affairs to be as expected.

Financial instruments

The company's principal financial instruments comprise bank balances, trade debtors, intercompany loans and trade creditors. The main purpose of these instruments is to raise funds and finance the company's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to certain financial instruments concerned is as follows:

- In respect of bank balances the company makes use of money market facilities where funds are available.
- 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 for both time and credit limits.
- Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.
- Intercompany loans are interest free and payable on demand.

Principal risks and uncertainties

The principle risk to the business is the fluctuation of the prevailing market rates. The company minimises this risk by maintaining significant reserves to enable it to continue trading through periods of low freight rates. A further risk to the business comes from exchange rate movements. Major transactions are hedged by the company therefore offsetting any unforeseen currency fluctuation.

On behalf of the board



L Brenden
Director

9 December 2019

BORCHARD LINES LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT

FOR THE YEAR ENDED 2 APRIL 2019

The directors present their annual report and financial statements for the year ended 2 April 2019.

Principal activities

The principal activity of the group continued to be that of door to door logistics.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R M Borchard

L Brenden

D Borchard

Results and dividends

The results for the year are set out on page 7.

The directors do not recommend the payment of a dividend for the year on the ordinary shares.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Future developments

The directors expect the business to continue on the same basis, although the profitability level will vary.

Auditor

The auditor, FSPG, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



L Brenden

Director

9 December 2019

BORCHARD LINES LIMITED AND SUBSIDIARIES

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 2 APRIL 2019

The directors are responsible for preparing the Annual Report 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BORCHARD LINES LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BORCHARD LINES LIMITED AND SUBSIDIARIES

Opinion

We have audited the financial statements of Borchard Lines Limited and Subsidiaries (the 'parent company') and its subsidiaries (the 'group') for the year ended 2 April 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company 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 group's and the parent company's affairs as at 2 April 2019 and of the group's 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

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 group's or the parent 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 included in the annual report, other than the financial statements and our auditor's report 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.

BORCHARD LINES LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BORCHARD LINES LIMITED AND SUBSIDIARIES

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement, 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 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 directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BORCHARD LINES LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BORCHARD LINES LIMITED AND SUBSIDIARIES

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 auditor's 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.

David Tropp (Senior Statutory Auditor)
for and on behalf of FSPG

9 December 2019

Chartered Accountants
Statutory Auditor

21 Bedford Square
London
WC1B 3HH

BORCHARD LINES LIMITED AND SUBSIDIARIES

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 2 APRIL 2019

	Notes	2019 £	2018 £
Turnover	3	132,368,949	116,766,618
Cost of sales		(124,250,633)	(118,275,609)
Gross profit/(loss)		8,118,316	(1,508,991)
Administrative expenses		(6,200,851)	(5,710,538)
Other operating income		1,130,000	1,085,170
Operating profit/(loss)	4	3,047,465	(6,134,359)
Interest receivable and similar income	8	464	57,300
Interest payable and similar expenses	9	(157,664)	(139,324)
Fair value adjustment of financial assets and gain on sale of investments	10	(2,123,594)	6,108,690
Profit/(loss) before taxation		766,671	(107,693)
Taxation	11	90,216	-
Profit/(loss) for the financial year	26	856,887	(107,693)

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BORCHARD LINES LIMITED AND SUBSIDIARIES

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 2 APRIL 2019

	2019	2018
	£	£
Profit/(loss) for the year	856,887	(107,693)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>856,887</u>	<u>(107,693)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

BORCHARD LINES LIMITED AND SUBSIDIARIES

GROUP BALANCE SHEET

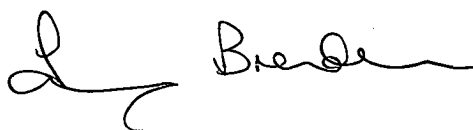
AS AT 2 APRIL 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	12	1,911,667		2,531,667	
Tangible assets	13	17,310,341		19,496,443	
Investments	14	37		37	
		<u>19,222,045</u>		<u>22,028,147</u>	
Current assets					
Debtors	17	17,495,200	11,414,236		
Investments	18	3,985,096	6,108,690		
Cash at bank and in hand		1,631,028	2,824,808		
		<u>23,111,324</u>	<u>20,347,734</u>		
Creditors: amounts falling due within one year	19	(16,461,879)	(12,854,289)		
Net current assets		<u>6,649,445</u>		<u>7,493,445</u>	
Total assets less current liabilities		<u>25,871,490</u>		<u>29,521,592</u>	
Creditors: amounts falling due after more than one year	20	(2,160,221)	(6,576,994)		
Provisions for liabilities	23	(511,224)	(601,440)		
Net assets		<u>23,200,045</u>		<u>22,343,158</u>	
Capital and reserves					
Called up share capital	25	17,700,000	17,700,000		
Profit and loss reserves	26	5,500,045	4,643,158		
Total equity		<u>23,200,045</u>		<u>22,343,158</u>	

The financial statements were approved by the board of directors and authorised for issue on 9 December 2019 and are signed on its behalf by:

R M Borchard
Director

L Brenden
Director



BORCHARD LINES LIMITED AND SUBSIDIARIES

COMPANY BALANCE SHEET

AS AT 2 APRIL 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	12		1,911,667		2,531,667
Tangible assets	13		17,260,173		19,450,223
Investments	14		1,810,535		1,810,535
			<u>20,982,375</u>		<u>23,792,425</u>
Current assets					
Debtors	17	23,863,256		16,772,874	
Investments	18	1,981,221		3,896,126	
Cash at bank and in hand		1,615,980		2,783,726	
		<u>27,460,457</u>		<u>23,452,726</u>	
Creditors: amounts falling due within one year	19	(13,371,462)		(10,433,347)	
Net current assets			<u>14,088,995</u>		<u>13,019,379</u>
Total assets less current liabilities			<u>35,071,370</u>		<u>36,811,804</u>
Creditors: amounts falling due after more than one year	20		(2,160,221)		(6,576,994)
Provisions for liabilities	23		(511,224)		(601,440)
Net assets			<u><u>32,399,925</u></u>		<u><u>29,633,370</u></u>
Capital and reserves					
Called up share capital	25		17,700,000		17,700,000
Profit and loss reserves	26		14,699,925		11,933,370
Total equity			<u><u>32,399,925</u></u>		<u><u>29,633,370</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 December 2019 and are signed on its behalf by:

R M Borchard
Director

Company Registration No. 517224

L Brenden
Director



BORCHARD LINES LIMITED AND SUBSIDIARIES

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 2 APRIL 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 3 April 2017	17,700,000	4,750,852	22,450,852
Year ended 2 April 2018:			
Loss and total comprehensive income for the year	-	(107,693)	(107,693)
Balance at 2 April 2018	17,700,000	4,643,159	22,343,159
Year ended 2 April 2019:			
Profit and total comprehensive income for the year	-	856,886	856,886
Balance at 2 April 2019	17,700,000	5,500,045	23,200,045

BORCHARD LINES LIMITED AND SUBSIDIARIES

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 2 APRIL 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 3 April 2017	17,700,000	10,334,659	28,034,659
Year ended 2 April 2018:			
Profit and total comprehensive income for the year	-	1,598,711	1,598,711
Balance at 2 April 2018	17,700,000	11,933,370	29,633,370
Year ended 2 April 2019:			
Profit and total comprehensive income for the year	-	2,766,555	2,766,555
Balance at 2 April 2019	17,700,000	14,699,925	32,399,925

BORCHARD LINES LIMITED AND SUBSIDIARIES

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2 APRIL 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash absorbed by operations	30	(30,779)		(4,050,272)	
Interest paid		(157,664)		(139,324)	
Net cash outflow from operating activities		<u>(188,443)</u>		<u>(4,189,596)</u>	
Investing activities					
Purchase of intangible assets		-	(3,100,000)		
Purchase of tangible fixed assets & revaluation exchange movement	(218,300)		(1,476,113)		
Proceeds on disposal of tangible fixed assets	161,334		2,688,103		
Interest received	464		57,300		
Net cash used in investing activities		<u>(56,502)</u>		<u>(1,830,710)</u>	
Financing activities					
Repayment of borrowings	634,259		556,659		
Payment of finance leases obligations	(1,583,094)		(1,667,605)		
Net cash used in financing activities		<u>(948,835)</u>		<u>(1,110,946)</u>	
Net decrease in cash and cash equivalents		<u>(1,193,780)</u>		<u>(7,131,252)</u>	
Cash and cash equivalents at beginning of year		2,824,808		9,956,060	
Cash and cash equivalents at end of year		<u><u>1,631,028</u></u>		<u><u>2,824,808</u></u>	

BORCHARD LINES LIMITED AND SUBSIDIARIES

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2 APRIL 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash absorbed by operations	31	(21,094)		(4,075,901)	
Interest paid		(157,664)		(139,324)	
Net cash outflow from operating activities		(178,758)		(4,215,225)	
Investing activities					
Purchase of intangible assets		-	(3,100,000)		
Purchase of tangible fixed assets		(201,951)	(1,449,314)		
Proceeds on disposal of tangible fixed assets		161,334	2,688,103		
Interest received		464	57,300		
Net cash used in investing activities		(40,153)		(1,803,911)	
Financing activities					
Repayment of borrowings		634,259	556,660		
Payment of finance leases obligations		(1,583,094)	(1,667,605)		
Net cash used in financing activities		(948,835)		(1,110,945)	
Net decrease in cash and cash equivalents		(1,167,746)		(7,130,081)	
Cash and cash equivalents at beginning of year		2,783,726		9,913,807	
Cash and cash equivalents at end of year		1,615,980		2,783,726	

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

Company information

Borchard Lines Limited and Subsidiaries ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 10 Chiswell Street, London, EC1Y 4XY.

The group consists of Borchard Lines Limited and Subsidiaries and all of its subsidiaries.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of containers.

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

The financial statements have been prepared under the historical cost convention and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Borchard Lines Limited and Subsidiaries and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 2 April 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

(Continued)

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover and associated costs are recognised on a time apportionment basis over the length of the voyage.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development Costs	over 5 year straight line
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short leasehold improvements	Over the lease term
Containers	Over 20 years
Fixtures, fittings & computers	15-25% per annum on net book value or 33% per annum on cost
Computer equipment	33% Straight line
Motor vehicles	20% or 25% per annum on net book value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks.

1.11 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group 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 group after deducting all of its liabilities.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

(Continued)

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Logistics	119,375,549	116,766,618
Shipping transfer	12,993,400	-
	<u>132,368,949</u>	<u>116,766,618</u>
 Other significant revenue		
Interest income	464	57,300
	<u>464</u>	<u>57,300</u>
 Turnover analysed by geographical market		
United Kingdom	<u>132,368,949</u>	<u>116,766,618</u>

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

4 Operating profit/(loss)

	2019 £	2018 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (losses)/gains	558,359	(1,347,182)
Depreciation of owned tangible fixed assets	736,675	403,141
Depreciation of tangible fixed assets held under finance leases	232,903	233,380
Loss on disposal of tangible fixed assets	1,273,489	1,764,240
Amortisation of intangible assets	620,000	568,333
Operating lease charges	573,360	36,356
	<u>5,574,786</u>	<u>(1,472,424)</u>

5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	28,488	28,488
Audit of the financial statements of the company's subsidiaries	18,025	18,025
	<u>46,513</u>	<u>46,513</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Office and Management	71	65	44	39
Logistics and Distribution	21	25	-	-
	<u>92</u>	<u>90</u>	<u>44</u>	<u>39</u>

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	4,157,081	4,106,764	2,577,084	2,503,724
Pension costs	160,869	142,004	121,018	108,118
	<u>4,317,950</u>	<u>4,248,768</u>	<u>2,698,102</u>	<u>2,611,842</u>

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	358,456	351,764

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	139,436	136,904

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	464	7,765
Other interest income	-	49,535
Total income	464	57,300

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	464	7,765
--	-----	-------

9 Interest payable and similar expenses

	2019 £	2018 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	157,664	139,324

10 Gains/(loss) on investments

	2019 £	2018 £
Fair value gains/(losses) on financial instruments		
Change in value of financial assets held at fair value through profit or loss	(2,123,594)	6,108,690

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

11 Taxation

	2019 £	2018 £
Deferred tax		
Changes in tax rates	(90,216)	-

The actual (credit)/charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit/(loss) before taxation	766,671	(107,693)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	145,667	(20,462)
Unutilised tax losses carried forward	1,322,076	779,985
Depreciation on assets not qualifying for tax allowances	-	4,049
Other adjustments	(1,557,959)	(763,572)
Taxation credit	(90,216)	-

12 Intangible fixed assets

Group	Development Costs £
Cost	
At 3 April 2018 and 2 April 2019	3,100,000
Amortisation and impairment	
At 3 April 2018	568,333
Amortisation charged for the year	620,000
At 2 April 2019	1,188,333
Carrying amount	
At 2 April 2019	1,911,667
At 2 April 2018	2,531,667

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

12 Intangible fixed assets

(Continued)

Company	Development Costs
	£
Cost	
At 3 April 2018 and 2 April 2019	3,100,000
Amortisation and impairment	
At 3 April 2018	568,333
Amortisation charged for the year	620,000
At 2 April 2019	1,188,333
Carrying amount	
At 2 April 2019	1,911,667
At 2 April 2018	2,531,667

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

13 Tangible fixed assets

Group	Short leasehold improvements	Containers	Fixtures, fittings & computers	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 3 April 2018	175,321	23,267,128	8,384,725	56,932	125,752	32,009,858
Additions	-	174,462	32,384	8,414	3,039	218,299
Disposals	-	(1,440,445)	-	-	(44,947)	(1,485,392)
At 2 April 2019	175,321	22,001,145	8,417,109	65,346	83,844	30,742,765
Depreciation and impairment						
At 3 April 2018	175,321	3,890,049	8,350,333	11,034	86,678	12,513,415
Depreciation charged in the year	-	917,870	31,944	10,336	9,428	969,578
Eliminated in respect of disposals	-	(8,367)	-	-	(42,202)	(50,569)
At 2 April 2019	175,321	4,799,552	8,382,277	21,370	53,904	13,432,424
Carrying amount						
At 02 April 2019	-	17,201,593	34,832	43,976	29,940	17,310,341
At 02 April 2018	-	19,377,079	34,393	45,897	39,074	19,496,443

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

Company	Short leasehold improvements	Containers	Fixtures, fittings & computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 3 April 2018	175,321	23,267,128	1,066,791	125,752	24,634,992
Additions	-	174,462	24,450	3,039	201,951
Disposals	-	(1,440,445)	-	(44,947)	(1,485,392)
At 2 April 2019	175,321	22,001,145	1,091,241	83,844	23,351,551
Depreciation and impairment					
At 3 April 2018	175,321	3,890,049	1,032,721	86,678	5,184,769
Depreciation charged in the year	-	917,870	29,880	9,428	957,178
Eliminated in respect of disposals	-	(8,367)	-	(42,202)	(50,569)
At 2 April 2019	175,321	4,799,552	1,062,601	53,904	6,091,378
Carrying amount					
At 02 April 2019	-	17,201,593	28,640	29,940	17,260,173
At 02 April 2018	-	19,377,079	34,070	39,074	19,450,223

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2019 £	2018 £	Company 2019 £	2018 £
Containers	4,572,495	8,299,451	4,572,495	8,299,451
Depreciation charge for the year in respect of leased assets	232,903	233,380	232,903	233,380

14 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	15	-	-	1,810,498	1,810,498
Listed investments		37	37	37	37
		37	37	1,810,535	1,810,535
Listed investments included above:					
Listed investments carrying amount		37	37	37	37

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

14 Fixed asset investments

(Continued)

Movements in fixed asset investments

Group

Investments
other than
loans
£

Cost or valuation

At 3 April 2018 and 2 April 2019

37

Carrying amount

At 2 April 2019

37

At 2 April 2018

37

Movements in fixed asset investments

Company

Shares in
group
undertakings

Other
investments
other than
loans

Total

£

£

£

Cost or valuation

At 3 April 2018 and 2 April 2019

1,810,498

37

1,810,535

Carrying amount

At 2 April 2019

1,810,498

37

1,810,535

At 2 April 2018

1,810,498

37

1,810,535

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

15 Subsidiaries

Details of the company's subsidiaries at 2 April 2019 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Borchard Container Transport Limited	England & Wales	Door to door logistics	Ordinary	100.00
Gracechurch Container Line Limited	England & Wales	Door to door logistics	Ordinary	100.00

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Borchard Container Transport Limited	1,200	20,478
Gracechurch Container Line Limited	(1,910,869)	(7,405,582)

16 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	16,918,940	10,996,661	23,308,750	16,368,581
Equity instruments measured at cost less impairment	37	37	37	37
Instruments measured at fair value through profit or loss	3,985,096	6,108,690	1,981,221	3,896,126
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	18,418,660	19,208,342	15,461,974	16,941,889
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

17 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	16,904,741	10,720,857	12,176,980	6,484,513
Amounts owed by group undertakings	-	-	11,117,571	9,608,264
Other debtors	245,732	345,244	245,079	344,554
Prepayments and accrued income	344,727	348,135	323,626	335,543
	<u>17,495,200</u>	<u>11,414,236</u>	<u>23,863,256</u>	<u>16,772,874</u>

18 Current asset investments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Unlisted investments	<u>3,985,096</u>	<u>6,108,690</u>	<u>1,981,221</u>	<u>3,896,126</u>

19 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Obligations under finance leases	22	1,432,922	1,788,200	1,432,922	1,788,200
Other borrowings	21	4,159,358	336,142	4,159,358	336,142
Trade creditors		10,208,119	10,234,119	7,341,093	8,003,820
Amounts owed to group undertakings		-	-	39,548	16,061
Other taxation and social security		203,440	222,941	69,709	68,452
Other creditors		1,586	-	1,586	-
Accruals and deferred income		456,454	272,887	327,246	220,672
		<u>16,461,879</u>	<u>12,854,289</u>	<u>13,371,462</u>	<u>10,433,347</u>

20 Creditors: amounts falling due after more than one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Obligations under finance leases	22	2,160,221	3,388,037	2,160,221	3,388,037
Other borrowings	21	-	3,188,957	-	3,188,957
		<u>2,160,221</u>	<u>6,576,994</u>	<u>2,160,221</u>	<u>6,576,994</u>

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

20 Creditors: amounts falling due after more than one year

(Continued)

Amounts included above which fall due after five years are as follows:

Payable other than by instalments	-	(3,188,957)	-	(3,188,957)
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21 Loans and overdrafts

	Group 2019 £	2018 £	Company 2019 £	2018 £
Other loans	4,159,358	3,525,099	4,159,358	3,525,099
Payable within one year	4,159,358	336,142	4,159,358	336,142
Payable after one year	-	3,188,957	-	3,188,957

22 Finance lease obligations

	Group 2019 £	2018 £	Company 2019 £	2018 £
Future minimum lease payments due under finance leases:				
Within one year	1,772,542	2,212,024	1,772,542	2,212,024
In two to five years	2,672,216	4,191,040	2,672,216	4,191,040
	4,444,758	6,403,064	4,444,758	6,403,064
Less: future finance charges	(851,615)	(1,226,827)	(851,615)	(1,226,827)
	3,593,143	5,176,237	3,593,143	5,176,237

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Finance lease obligations are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Current liabilities	1,432,922	1,788,200	1,432,922	1,788,200
Non-current liabilities	2,160,221	3,388,037	2,160,221	3,388,037
	3,593,143	5,176,237	3,593,143	5,176,237

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

23 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
Group		
Revaluations	511,224	601,440
	<u>511,224</u>	<u>601,440</u>
	Liabilities 2019 £	Liabilities 2018 £
Company		
Revaluations	511,224	601,440
	<u>511,224</u>	<u>601,440</u>
	Group 2019 £	Company 2019 £
Movements in the year:		
Liability at 3 April 2018	601,440	601,440
Credit to profit or loss	(90,216)	(90,216)
	<u>511,224</u>	<u>511,224</u>
Liability at 2 April 2019	511,224	511,224
	<u>511,224</u>	<u>511,224</u>

24 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	160,869	142,004
	<u>160,869</u>	<u>142,004</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

25 Share capital

	Group and company	
	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
500,000 Ordinary shares of £1 each	500,000	500,000
	<u> </u>	<u> </u>
Preference share capital		
Issued and fully paid		
Preference shares classified as equity	17,200,000	17,200,000
	<u> </u>	<u> </u>
Total equity share capital	<u>17,700,000</u>	<u>17,700,000</u>

The redeemable preference shares rank in priority to the other classes of shares in a winding up or repayment of capital, but have no voting rights and have no right to further participation in the profit or assets of the company. The redeemable preference shares are redeemable at the option of the company.

26 Profit and loss reserves

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
At the beginning of the year	4,643,158	4,750,852	11,933,370	10,334,659
Profit/(loss) for the year	856,887	(107,693)	2,766,555	1,598,711
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At the end of the year	<u>5,500,045</u>	<u>4,643,159</u>	<u>14,699,925</u>	<u>11,933,370</u>

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	42,000	-	-	-
Between two and five years	-	84,000	-	-
In over five years	4,102,560	4,493,280	4,102,560	4,493,280
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>4,144,560</u>	<u>4,577,280</u>	<u>4,102,560</u>	<u>4,493,280</u>

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

28 Related party transactions

Group

Transactions with members of the group and other connected parties have not been disclosed as per section 33 of FRS 102.

Company

Transactions with members of the group and other connected parties have not been disclosed as per section 33 of FRS 102.

29 Controlling party

The ultimate holding company is Borlines Limited, a company incorporated in Bermuda.

30 Cash absorbed by group operations

	2019 £	2018 £
Profit/(loss) for the year after tax	856,887	(107,693)
Adjustments for:		
Taxation credited	(90,216)	-
Finance costs	157,664	139,324
Investment income	(464)	(57,300)
Loss on disposal of tangible fixed assets	1,273,489	1,764,240
Amortisation and impairment of intangible assets	620,000	568,333
Depreciation and impairment of tangible fixed assets	969,578	636,521
Amounts written off investments	2,123,594	(6,108,690)
Movements in working capital:		
Increase in debtors	(6,080,964)	(1,559,064)
Increase in creditors	139,652	674,056
Cash absorbed by operations	(30,780)	(4,050,273)

BORCHARD LINES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 2 APRIL 2019

31 Cash absorbed by operations - company

	2019	2018
	£	£
Profit for the year after tax	2,766,555	1,598,711
Adjustments for:		
Taxation credited	(90,216)	-
Finance costs	157,664	139,324
Investment income	(464)	(57,300)
Loss on disposal of tangible fixed assets	1,273,489	1,764,240
Amortisation and impairment of intangible assets	620,000	568,333
Depreciation and impairment of tangible fixed assets	957,178	632,472
Amounts written off investments	1,914,905	(3,896,126)
Movements in working capital:		
Increase in debtors	(7,090,382)	(5,726,996)
(Decrease)/increase in creditors	(529,823)	901,441
Cash absorbed by operations	(21,094)	(4,075,901)