
Lambert Brothers Haulage Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2017

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Lambert Brothers Haulage Limited

Company Information

Directors	E J Elmslie (appointed 9 October 2017) G R Norfolk P R Fields C G Watkins (resigned 9 October 2017)
Registered number	00654382
Registered office	Woodside Avenue Eastleigh Hampshire SO50 4ZR
Independent auditors	Hurst & Company Accountants LLP Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD

Lambert Brothers Haulage Limited

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Lambert Brothers Haulage Limited

Strategic Report For the Year Ended 31 December 2017

Introduction

The directors present their strategic report and financial statements for the year ended 31 December 2017.

Business review

The principal activity of the company continues to be the provision of transport, distribution and warehousing services.

The company generated a 4.6% increase in turnover, driven by increased activity within our core customer base.

Operating profit margin increased to 1.5% from 0.13% for the year and the company reported a net profit in the year of £149,682 up from a net profit of £31,550 in 2016.

Principal risks and uncertainties

The Directors have assessed the main risks to the company as being the availability of qualified drivers and resources to meet future growth, and the price sensitive nature of pallet network business. The directors believe that these risks are mitigated by the continued efforts to maintain a competitive advantage through high customer service levels, increasing use of new technology and policies to attract and retain high calibre staff.

The company is exposed to minimal level of price risk, credit risk, liquidity risk, and cashflow risk. The company manages these risks by financing its operations through retained profits to fund capital expenditure programmes in the most efficient manner.

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the company's trading activities.

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Financial key performance indicators

The company's financial KPI's focus on a number of critical areas. Gross margin remains the major factor in shaping the future success of the business and this is evidenced by the improving performance year on year.

Business liquidity runs in parallel with margins and is closely monitored through both debtor and creditor management.

Other financial KPI's are as follows:

- Working capital analysis
- Cashflow forecasting
- Review of turnover : actual v forecast.
- Analysis of overhead expenditure: actual v forecast.

Other key performance indicators

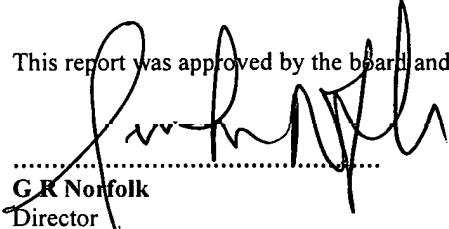
Non financial KPI's are numerous but centre on the following:

- Supplier on time delivery performance
- Employee workforce management
- Health & Safety

Lambert Brothers Haulage Limited

Strategic Report (continued)
For the Year Ended 31 December 2017

This report was approved by the board and signed on its behalf.



.....
G.R. Norfolk
Director

Date: 18/09/2018

Lambert Brothers Haulage Limited

Directors' Report For the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £149,682 (2016 -£31,550).

The directors do not propose a final dividend (2016: £nil).

Directors

The directors who served during the year were:

E J Elmslie (appointed 9 October 2017)
G R Norfolk
P R Fields
C G Watkins (resigned 9 October 2017)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Lambert Brothers Haulage Limited

Directors' Report (continued)
For the Year Ended 31 December 2017

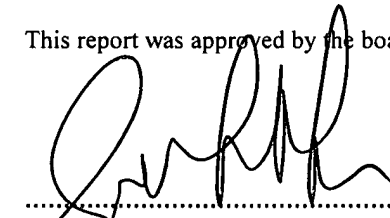
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Hurst & Company Accountants LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


.....
G.R Norfolk
Director

Date: 18/09/2018

Lambert Brothers Haulage Limited

Independent Auditors' Report to the Shareholders of Lambert Brothers Haulage Limited

Opinion

We have audited the financial statements of Lambert Brothers Haulage Limited (the 'Company') for the year ended 31 December 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Lambert Brothers Haulage Limited

Independent Auditors' Report to the Shareholders of Lambert Brothers Haulage Limited (continued)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' Responsibilities Statement on page 3, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Lambert Brothers Haulage Limited

Independent Auditors' Report to the Shareholders of Lambert Brothers Haulage Limited (continued)

Use of our report

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

Hurst + Company Accountants LLP

John Glover (Senior statutory auditor)

for and on behalf of

Hurst & Company Accountants LLP

Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date: *19 September 2018*

Lambert Brothers Haulage Limited

**Statement of Comprehensive Income
For the Year Ended 31 December 2017**

	Note	2017 £	2016 £
Turnover	4	15,482,837	14,797,402
Cost of sales		(13,125,878)	(11,723,343)
Gross profit		2,356,959	3,074,059
Administrative expenses		(2,124,836)	(3,054,785)
Operating profit	5	232,123	19,274
Income from fixed assets investments		5,985	8,579
Interest receivable and similar income		70	1,336
Interest payable and expenses		(30,212)	(6,828)
Profit before tax		207,966	22,361
Tax on profit	9	(58,284)	9,189
Profit for the financial year and total comprehensive income		149,682	31,550

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 11 to 24 form part of these financial statements.

Lambert Brothers Haulage Limited
Registered number: 00654382

Balance Sheet
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	1,407,967	1,633,748
Investments	11	99,850	99,850
		<u>1,507,817</u>	<u>1,733,598</u>
Current assets			
Stocks	12	48,504	74,773
Debtors: amounts falling due within one year	13	9,908,963	6,982,497
Cash at bank and in hand	14	596,201	646,575
		<u>10,553,668</u>	<u>7,703,845</u>
Creditors: amounts falling due within one year	15	(4,412,908)	(2,125,195)
Net current assets		<u>6,140,760</u>	<u>5,578,650</u>
Total assets less current liabilities		<u>7,648,577</u>	<u>7,312,248</u>
Creditors: amounts falling due after more than one year	16	(349,889)	(141,795)
Provisions for liabilities			
Deferred tax	19	(4,130)	(25,577)
		<u>(4,130)</u>	<u>(25,577)</u>
Net assets		<u><u>7,294,558</u></u>	<u><u>7,144,876</u></u>
Capital and reserves			
Called up share capital	20	4,500	4,500
Profit and loss account	21	7,290,058	7,140,376
		<u>7,294,558</u>	<u>7,144,876</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
C R Norfolk

Director

Date: 18/09/2018

The notes on pages 11 to 24 form part of these financial statements.

Lambert Brothers Haulage Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2017**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2017	4,500	7,140,376	7,144,876
Comprehensive income for the year			
Profit for the year	-	149,682	149,682
Total comprehensive income for the year	-	149,682	149,682
Total transactions with owners	-	-	-
At 31 December 2017	4,500	7,290,058	7,294,558

**Statement of Changes in Equity
For the Year Ended 31 December 2016**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2016	4,500	7,108,826	7,113,326
Comprehensive income for the year			
Profit for the year	-	31,550	31,550
Total comprehensive income for the year	-	31,550	31,550
Total transactions with owners	-	-	-
At 31 December 2016	4,500	7,140,376	7,144,876

The notes on pages 11 to 24 form part of these financial statements.

Lambert Brothers Haulage Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

1. General information

Lambert Brothers Haulage Limited is a company limited by member capital incorporated in England and Wales. The address of the registered office and principal place of business is Woodside Avenue, Eastleigh, Hampshire, SO50 4ZR.

The nature of the company's operations and its principal activity is the provision of road haulage and warehousing services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Kinaxia Limited as at 31 December 2017 and these financial statements may be obtained from the Registrar of Companies.

2.3 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Lambert Brothers Haulage Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	15% - 25% straight line
Fixtures and fittings	-	10% - 20% straight line
Computer equipment	-	20% - 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Lambert Brothers Haulage Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.8 Cash and cash equivalents

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

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.10 Creditors

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

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the Financial Statements
For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

2.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

2. Accounting policies (continued)

2.17 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements.

Provision for impairment loss on trade receivables

Management exercises judgement in providing for impairment loss on trade receivables.

Other estimates and judgements

Management also exercises judgement in estimating the useful life of property, plant and equipment.

4. Turnover

All turnover arose within the United Kingdom.

The whole of the turnover is attributable to road haulage contracting and warehousing services.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	616,350	611,128
(Profit)/Loss on sale of tangible assets	(47,831)	(43,546)
Defined contribution pension cost	192,256	203,945
	<u> </u>	<u> </u>

6. Auditors' remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	9,400	9,400
	<u> </u>	<u> </u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	750	750
	<u>750</u>	<u>750</u>
	<u> </u>	<u> </u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	5,295,306	5,224,154
Social security costs	505,877	502,107
Cost of defined contribution scheme	192,256	203,945
	<u>5,993,439</u>	<u>5,930,206</u>
	<u> </u>	<u> </u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Production staff	140	144
Administrative staff	43	40
Management staff	3	3
	<u>186</u>	<u>187</u>
	<u> </u>	<u> </u>

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	74,324	167,099
Company contributions to defined contribution pension schemes	9,073	22,843
	<u>83,397</u>	<u>189,942</u>

During the year retirement benefits were accruing to 2 directors (2016 -2) in respect of defined contribution pension schemes.

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	79,731	35,734
Total current tax	<u>79,731</u>	<u>35,734</u>
Deferred tax		
Origination and reversal of timing differences	(21,447)	(44,923)
Total deferred tax	<u>(21,447)</u>	<u>(44,923)</u>
Taxation on profit/(loss) on ordinary activities	<u>58,284</u>	<u>(9,189)</u>

Lambert Brothers Haulage Limited

Notes to the Financial Statements
For the Year Ended 31 December 2017

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2016 -lower than)* the standard rate of corporation tax in the UK of 19% *(2016 - 20%)*. The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	207,966	22,361
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 -20%)	39,514	4,472
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,159	259
Capital allowances for year in excess of depreciation	-	305
Dividends from UK companies	(1,137)	(1,716)
Other differences leading to an increase (decrease) in the tax charge	17,748	(12,509)
Total tax charge for the year	58,284	(9,189)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

10. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2017	4,688,408	371,395	113,172	5,172,975
Additions	302,395	134,625	7,583	444,603
Disposals	(419,764)	(4,341)	-	(424,105)
At 31 December 2017	<u>4,571,039</u>	<u>501,679</u>	<u>120,755</u>	<u>5,193,473</u>
Depreciation				
At 1 January 2017	3,274,894	171,060	93,274	3,539,228
Charge for the year on owned assets	309,777	55,108	8,316	373,201
Charge for the year on financed assets	243,149	-	-	243,149
Disposals	(365,731)	(4,341)	-	(370,072)
At 31 December 2017	<u>3,462,089</u>	<u>221,827</u>	<u>101,590</u>	<u>3,785,506</u>
Net book value				
At 31 December 2017	<u>1,108,950</u>	<u>279,852</u>	<u>19,165</u>	<u>1,407,967</u>
At 31 December 2016	<u>1,413,514</u>	<u>200,335</u>	<u>19,898</u>	<u>1,633,747</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	<u>721,949</u>	<u>219,253</u>
	<u>721,949</u>	<u>219,253</u>

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

11. Fixed asset investments

	Trade investments £
At 1 January 2017	99,850
At 31 December 2017	<u>99,850</u>
At 31 December 2016	<u>99,850</u>

12. Stocks

	2017 £	2016 £
Fuel and tyres	48,504	74,773
	<u>48,504</u>	<u>74,773</u>

Stock recognised in cost of sales during the year as an expense was £2,550,396 (2016 -£2,296,040).

An impairment loss of £nil (2016 -£nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

13. Debtors

	2017 £	2016 £
Trade debtors	3,291,555	2,835,616
Amounts owed by group undertakings	6,048,388	3,711,832
Other debtors	1,695	46
Prepayments and accrued income	567,325	435,003
	<u>9,908,963</u>	<u>6,982,497</u>

An impairment loss of £8,999 (2016: £6,359) was recognised in administrative expenses during the year against trade debtors.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	596,201	646,575
	<u>596,201</u>	<u>646,575</u>

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,547,715	1,204,346
Amounts owed to group undertakings	17,474	6,555
Corporation tax	13,901	9,234
Other taxation and social security	604,500	627,334
Obligations under finance lease and hire purchase contracts	171,997	57,782
Invoice discount facility	1,913,827	-
Other creditors	28,317	96,760
Accruals and deferred income	115,177	123,184
	<u>4,412,908</u>	<u>2,125,195</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

The invoice discounting facility is secured on certain book debts of the company.

16. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	349,889	141,795
	<u>349,889</u>	<u>141,795</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

17. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	171,997	57,782
Between 1-2 years	173,489	57,948
Between 2-5 years	176,400	83,847
	<u>521,886</u>	<u>199,577</u>

18. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>8,942,779</u>	<u>6,547,494</u>
	<u>8,942,779</u>	<u>6,547,494</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>3,481,852</u>	<u>(1,507,238)</u>
	<u>3,481,852</u>	<u>(1,507,238)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and group debtors.

Financial liabilities measured at amortised cost comprise trade creditors, group creditors, other creditors and the invoice discounting facility.

19. Deferred taxation

	2017 £
At beginning of year	(25,577)
Charged to profit or loss	21,447
At end of year	<u><u>(4,130)</u></u>

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

19. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	4,130	32,287
Other timing differences	-	(6,710)
	<u>4,130</u>	<u>25,577</u>

20. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
4,500 Ordinary shares of £1 each	<u>4,500</u>	<u>4,500</u>

21. Reserves

Profit and loss

Profit and loss account includes all current and prior period retained profits and losses.

22. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £192,256 (2016: £203,945). Contributions totalling £17,902 (2016: £18,848) were payable at the balance sheet date and are included in creditors.

23. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

24. Related party transactions

The company has taken advantage of the exemption in FRS 102 not to disclose transactions entered into between two or more members of a group whereby the subsidiary that is a party to the transaction is wholly owned by a member.

The directors of the company are considered to be the key management personnel and their remuneration is disclosed in note 8.

Lambert Brothers Haulage Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

25. Controlling party

The immediate parent undertaking is Kinaxia Transport and Warehousing Limited, a company incorporated in England and Wales.

The ultimate parent company has been Kinaxia Limited, a company incorporated in England and Wales. There is no overall controlling party of Kinaxia Limited