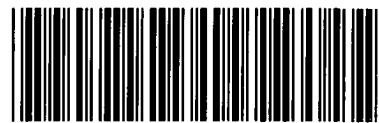


**JAMES KEMBALL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**JAMES KEMBALL LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	B G Tuck K Overman (appointed 10 December 2018) R G Clements (appointed 10 December 2018)
<b>Company secretary</b>	B G Tuck
<b>Registered number</b>	01146764
<b>Registered office</b>	1 Hodgkinson Road Felixstowe Suffolk IP11 3QT
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 80 Compair Crescent Ipswich Suffolk IP2 0EH

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## JAMES KEMBALL LIMITED

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### CONTENTS

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	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 27

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## **JAMES KEMBALL LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **Business review**

The operating result for the financial year ending March 2018 reflects major changes that have happened within the Shipping Industry and therefore impacting on the performance of the container Road Haulage industry.

During the financial year the impact of a major shipping line going into receivership has caused major disruption on the Port. Further disruption was caused due to vessel delays and omissions. This has been compounded with the increase in vessel sizes.

The company has invested heavily in equipment and infrastructure during the year, including increasing the fleet significantly.

There are still a number of challenges that lay ahead as new Shipping Alliances are formed and new port rotations are implemented. The company has made further acquisitions to strengthen the network and the directors are confident that the changes being made to the company, build a strong foundation for the future.

#### **Principal risks and uncertainties**

##### **Treasury operations and financial instruments**

The company operates a treasury function which is responsible for managing the liquidity and interest risks associated with the company's activities.

The company's principal financial instruments include its hire purchase agreements (notes 17 and 18). The purpose of these is to raise finance for the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations. The company does not enter into derivative transactions, and is not exposed to significant foreign currency exchange risk.

##### **Liquidity risk**

The company manages its cash flow in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

##### **Interest rate risk**

The company is not exposed to significant interest rate risk as it is not heavily reliant on variable interest rate borrowings.

##### **Foreign currency risk**

The company has no significant exposure to foreign currency risk.

##### **Credit risk**

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts where necessary. The company does not suffer from significant bad debt expense.

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**JAMES KEMBALL LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Financial key performance indicators**

The company's key performance indicators are turnover and profit before tax as set out in the Statement of comprehensive income.

This report was approved by the board on 21 /12 /18

and signed on its behalf.



**R G Clements**  
Director

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## JAMES KEMBALL LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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The directors present their report and the financial statements for the year ended 31 March 2018.

#### Principal activity

The principal activity of the company continued to be that of road haulage.

#### Results and dividends

The loss for the year, after taxation, amounted to £7,759,654 (2017: loss of £1,710,357).

The director has not recommended a dividend.

#### Director

The directors who served during the year were:

P J Keates (resigned 8 May 2018)  
B G Tuck

#### 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Future developments

The budget for 2018/19 anticipates further growth in turnover following the fleet expansion in the 2016/17 year.

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**JAMES KEMBALL LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Matters covered in the Strategic report**

Information regarding the company's principal risks and uncertainties, including treasury operations and financial instruments, can be found in the strategic report.

**Post balance sheet events**

At the date of approval of these financial statements, there are no significant post balance sheet events to report.

**Disclosure of information to auditor**

The director confirms that:

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

**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 /12 /18

and signed on its behalf.



**R G Clements**  
Director



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KEMBALL LIMITED

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### Opinion

We have audited the financial statements of James Kemball Limited for the year ended 31 March 2018, which comprise the Statement of comprehensive income, the Statement of financial position, 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 March 2018 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 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 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.

### Who we are reporting to

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.

### 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.





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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KEMBALL LIMITED (CONTINUED)

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### 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.

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

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

- the information given in the Strategic report and the 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.

### Matter on which we are required to report under the Companies Act 2006

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.

### Matters on which we are required to report by exception

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.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KEMBALL LIMITED (CONTINUED)

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### Responsibilities of directors for the financial statements

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.

### 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

*Grant Thornton UK LLP*

James Brown LLB ACA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Ipswich  
Date:

*21 December 2018*

**JAMES KEMBALL LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	2017 £
Turnover	4	27,780,021	28,198,874
Cost of sales		(28,181,303)	(26,929,068)
<b>Gross (loss)/profit</b>		<b>(401,282)</b>	<b>1,269,806</b>
Administrative expenses		(7,303,980)	(2,959,980)
<b>Operating loss</b>	5	<b>(7,705,262)</b>	<b>(1,690,174)</b>
Interest receivable and similar income	9	88	1,730
Interest payable and expenses	10	(42,092)	(44,311)
<b>Loss before tax</b>		<b>(7,747,266)</b>	<b>(1,732,755)</b>
Tax on loss	11	(12,388)	22,398
<b>Loss for the financial year</b>		<b>(7,759,654)</b>	<b>(1,710,357)</b>

There were no recognised gains and losses for 2018 or 2017 other than those included in the Statement of comprehensive income.

There was no other comprehensive income for 2018 (2017: £Nil).

The notes on pages 11 to 27 form part of these financial statements.

**JAMES KEMBALL LIMITED**  
**REGISTERED NUMBER:01146764**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	12	-	3,548,510
Tangible assets	13	3,188,028	3,718,037
<b>Current assets</b>			
Stocks	14	158,177	221,291
Debtors: amounts falling due within one year	15	7,342,078	5,634,522
Cash at bank and in hand	16	1,630	355,945
		<u>7,501,885</u>	<u>6,211,758</u>
Creditors: amounts falling due within one year	17	(16,134,145)	(10,380,773)
<b>Net current liabilities</b>		<u>(8,632,260)</u>	<u>(4,169,015)</u>
<b>Total assets less current liabilities</b>		<u>(5,444,232)</u>	<u>3,097,532</u>
Creditors: amounts falling due after more than one year	18	(254,368)	(1,049,010)
<b>Provisions for liabilities</b>			
Deferred tax	20	(12,532)	-
Other provisions	21	(92,900)	(92,900)
		<u>(105,432)</u>	<u>(92,900)</u>
<b>Net (liabilities)/assets</b>		<u><u>(5,804,032)</u></u>	<u><u>1,955,622</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	10,000	10,000
Profit and loss account	23	(5,814,032)	1,945,622
		<u><u>(5,804,032)</u></u>	<u><u>1,955,622</u></u>

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



21/12/18

**R G Clements**  
Director

The notes on pages 11 to 27 form part of these financial statements.

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**JAMES KEMBALL LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2017	10,000	1,945,622	1,955,622
Loss for the year	-	(7,759,654)	(7,759,654)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(7,759,654)</b>	<b>(7,759,654)</b>
<b>At 31 March 2018</b>	<b>10,000</b>	<b>(5,814,032)</b>	<b>(5,804,032)</b>

The notes on pages 11 to 27 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2016	10,000	3,655,979	3,665,979
Loss for the year	-	(1,710,357)	(1,710,357)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(1,710,357)</b>	<b>(1,710,357)</b>
<b>At 31 March 2017</b>	<b>10,000</b>	<b>1,945,622</b>	<b>1,955,622</b>

The notes on pages 11 to 27 form part of these financial statements.

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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1. General information

James Kemball Limited is a private company limited by shares and incorporated in England and Wales. The registered head office is located at 1 Hodgkinson Road, Felixstowe, Suffolk, IP11 3QT.

#### 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 accounting policies (see note 3).

##### 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Uniserve Holdings Limited as at 31 March 2018 and these financial statements may be obtained from Companies House.

##### 2.3 Going concern

The company has received confirmation from its parent that it will receive financial support for at least 12 months from the date of approval of the financial statements to ensure the company can settle its liabilities as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 2. Accounting policies (continued)

##### 2.4 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:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 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.

##### 2.5 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 2. Accounting policies (continued)

##### 2.6 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.

The estimated useful lives range as follows:

Leasehold property improvements	- Over the term of the lease
Motor vehicles	- 33% straight line
Fixtures and fittings	- 3-10 years straight line
Plant & Machinery- Tractor units	- 7 years straight line
Plant & Machinery- Trailers	- 6 years from registration

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.

##### 2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### 2.8 Stocks

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

##### 2.9 Debtors

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



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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 2. Accounting policies (continued)

##### 2.10 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.

##### 2.11 Financial instruments

The company only enters into basic financial instruments 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 and loans to related parties.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

##### 2.12 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.

##### 2.13 Foreign currency translation

###### Functional and presentation currency

The company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 2. Accounting policies (continued)

##### 2.14 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.

##### 2.15 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.

##### 2.16 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.

##### 2.17 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 Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

##### 2.18 Interest income

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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2. Accounting policies (continued)

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.20 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 reporting 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 Statement of financial position 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 reporting date.

# JAMES KEMBALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include depreciation of tangible fixed assets (Note 13) and provisions for deferred tax (Note 20) and lease reinstatement (Note 21).

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Haulage	27,068,660	27,113,228
Trailer hire	44,297	101,478
Fuel sales	211,503	984,168
Container storage	455,561	-
	<u>27,780,021</u>	<u>28,198,874</u>

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	27,780,021	26,744,135
Europe	-	1,454,739
	<u>27,780,021</u>	<u>28,198,874</u>

### 5. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the company	213,922	552,796
- held under hire purchase and finance leases	319,419	674,617
Amortisation of intangible assets, including goodwill	383,628	287,717
Exchange differences	(1,584)	1,028
Operating leases rentals:		
- plant and machinery	2,450,960	2,369,275
- other operating leases	179,797	425,296
	<u>2,746,622</u>	<u>3,810,739</u>

**JAMES KEMBALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**6. Auditor's remuneration**

	2018 £	2017 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	19,000	19,000
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Taxation compliance services	2,835	2,750

**7. Employees**

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

	2018 £	2017 £
Wages and salaries	8,022,320	6,890,811
Social security costs	838,207	676,091
Cost of defined contribution scheme	105,270	89,405
	<u>8,965,797</u>	<u>7,656,307</u>

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

	2018 No.	2017 No.
Drivers	214	198
Administrative staff	39	32
	<u>253</u>	<u>230</u>

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**JAMES KEMBALL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**8. Directors' remuneration**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>48,834</b>	<b>72,373</b>

Directors and key management are employees of the parent company and emoluments shown in these financial statements represent the amounts paid commensurate to the services received by the company.

**9. Interest receivable**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other interest receivable	<b>88</b>	<b>1,730</b>

**10. Interest payable and similar expenses**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Finance leases and hire purchase contracts	<b>42,092</b>	<b>44,311</b>

**JAMES KEMBALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**11. Taxation**

	2018 £	2017 £
Adjustments in respect of previous periods	(528)	528
<b>Total current tax</b>	<b>(528)</b>	<b>528</b>
Origination and reversal of timing differences	12,916	(22,926)
<b>Total deferred tax</b>	<b>12,916</b>	<b>(22,926)</b>
<b>Taxation on profit/(loss) on ordinary activities</b>	<b>12,388</b>	<b>(22,398)</b>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017: *higher than*) the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	(7,747,266)	(1,732,755)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	(944,849)	(346,551)
<b>Effects of:</b>		
Fixed asset differences	90,678	63,767
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,640	2,954
Adjustments to tax charge in respect of prior periods	(528)	528
Adjust deferred tax to closing rate	(1,519)	1,254
Group relief	865,966	255,650
<b>Total tax charge for the year</b>	<b>12,388</b>	<b>(22,398)</b>

**Factors that may affect future tax charges**

It was announced in the March 2016 budget that the main rate of corporation tax will reduce to 17% for financial years from 2020.

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JAMES KEMBALL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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12. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2017	3,836,227
At 31 March 2018	<u>3,836,227</u>
<b>Amortisation</b>	
At 1 April 2017	287,717
Charge for the year	383,628
Impairment charge	3,164,882
At 31 March 2018	<u>3,836,227</u>
<b>Net book value</b>	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>3,548,510</u>



**JAMES KEMBALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. Tangible fixed assets**

	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	621,643	6,852,480	99,926	7,574,049
Additions	93,925	79,342	-	173,267
Disposals	-	(169,935)	-	(169,935)
At 31 March 2018	715,568	6,761,887	99,926	7,577,381
<b>Depreciation</b>				
At 1 April 2017	515,001	3,289,328	51,683	3,856,012
Charge for the year	122,837	535,427	33,307	691,571
Disposals	-	(158,230)	-	(158,230)
At 31 March 2018	637,838	3,666,525	84,990	4,389,353
<b>Net book value</b>				
At 31 March 2018	77,730	3,095,362	14,936	3,188,028
At 31 March 2017	106,642	3,563,152	48,243	3,718,037

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

	2018 £	2017 £
Plant and machinery	2,540,327	2,975,590

**JAMES KEMBALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**14. Stocks**

	2018 £	2017 £
Fuel stocks	139,532	217,636
Tyre stocks	1,794	1,525
Adblue	1,337	2,130
Container storage	15,514	-
	<u>158,177</u>	<u>221,291</u>

Stock recognised in cost of sales during the year as an expense was £7,578,664 (2017: £7,087,551).

An impairment loss of £Nil (2017: £Nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

**15. Debtors**

	2018 £	2017 £
Trade debtors	3,365,622	2,410,751
Amounts owed by group undertakings	3,255,757	2,066,383
Other debtors	3,923	3,385
Prepayments and accrued income	716,776	1,153,619
Deferred taxation	-	384
	<u>7,342,078</u>	<u>5,634,522</u>

An impairment loss of £Nil (2017: £Nil) was recognised against trade debtors.

**16. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	1,630	355,945
	<u>1,630</u>	<u>355,945</u>

**JAMES KEMBALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**17. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Invoice financing	2,148,013	-
Trade creditors	2,974,230	2,217,618
Amounts owed to group undertakings	8,691,460	5,880,665
Amounts owed to other participating interests	-	378,327
Other taxation and social security	487,004	431,286
Obligations under finance lease and hire purchase contracts	794,692	870,898
Other creditors	1,149	1,128
Accruals and deferred income	1,037,597	600,851
	<u>16,134,145</u>	<u>10,380,773</u>

**18. Creditors: Amounts falling due after more than one year**

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	<u>254,368</u>	<u>1,049,010</u>

**Secured loans**

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

**19. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	794,692	870,898
Between 1-5 years	254,368	1,049,010
	<u>1,049,060</u>	<u>1,919,908</u>

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**JAMES KEMBALL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**20. Deferred taxation**

	2018 £
At beginning of year	384
Charged to profit or loss	(12,916)
<b>At end of year</b>	<b>(12,532)</b>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(12,532)	384

**21. Provisions**

	Lease reinstatement provision £
At 1 April 2017	92,900
<b>At 31 March 2018</b>	<b>92,900</b>

The reinstatement provision is in respect of reinstatement costs that will be required upon the termination of the lease for the haulage yard.

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**JAMES KEMBALL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**22. Share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Share capital represents the nominal value of shares that have been issued. The shares carry voting rights and an entitlement to dividends.

**23. Reserves**

**Profit and loss account**

Includes all current and prior period retained profits and losses.

**24. Contingent liabilities**

The company has granted a debenture including a fixed charge over all present property and fixed and floating charges over the company's assets.

**25. Capital commitments**

At 31 March 2018 the company had capital commitments of £Nil (2017: £Nil)

**26. Pension commitments**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual contributions payable are charged to the Statement of Comprehensive Income. At 31 March 2018 there were accrued pension costs of £24,255 included in creditors (2017: £13,409).

**27. Commitments under operating leases**

At 31 March 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	1,292,904	1,371,135
Later than 1 year and not later than 5 years	1,297,821	1,514,446
	<u>2,590,725</u>	<u>2,885,581</u>

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## JAMES KEMBALL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### **28. Related party transactions**

The immediate parent company at the year end is Uniserve Holdings Limited. The financial statements of Uniserve Holdings Limited represent the smallest group in which the company is consolidated and may be obtained from that company's registered office. Uniserve Holdings Limited holds 100% of the share capital of James Kemball Limited, as such the company is exempt from disclosing certain related party transactions as they are with other companies that are wholly owned within the group.

#### **29. Controlling party**

The company is owned by Uniserve Holdings Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Uniserve Holdings Limited. Consolidated accounts are filed at Companies House.

The director considers I R Liddell to be the ultimate controlling party by virtue of his 100% shareholding in Uniserve Holdings Limited.

#### **30. Business combinations**

On 1 July 2016, the company acquired the trade of YCT Limited for £1. As part of the acquisition the Company also took on some of the liabilities of YCT Limited amounting to £3,836,228. This has resulted in goodwill of £3,836,227 being recognised in the financial statements.