

Mega Trucking Company Limited

Report and financial statements

31 December 2015

FRIDAY



A57UTUG9

A17

27/05/2016

#86

COMPANIES HOUSE

Mega Trucking Company Limited

Registered No: 02681656

Directors

Ewals Cargo Care Transport BV
B Ewals

Secretary

B Ewals

Auditors

KPMG LLP
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Bankers

BNP Paribas
10 Harewood Avenue
London
NW1 6AA

Registered office

Charter Court
Stephenson Road
Colchester Business Park
Colchester
Essex
CO4 9QE

Mega Trucking Company Limited

Strategic report

The directors present their strategic report, directors' report and financial statements for the year ended 31 December 2015.

Business review

Mega Trucking Company Limited is a truck operator providing services to UK based logistics providers. The company is exclusively involved in the UK logistics market. The company operates, principally, from two sites, Alconbury in Cambridgeshire and Ellesmere Port in Cheshire.

The company has negotiated a fuel price mechanism which compensates the company for any fluctuations in the price of diesel. Additionally the company has positioned itself, in terms of labour and trucks, to mitigate any short and long term fluctuations in business activity. The company has endeavoured to increase the number of employed drivers during the year in an attempt to mitigate the effects of a perceived driver shortage.

The company's turnover has decreased from £8,532,172 in 2014 to £8,323,331 in 2015. This reduction of 2.4% is a reflection of an increase in truck utilisation offsetting sales rates reducing because of the decline in fuel price in the last half of the financial year.

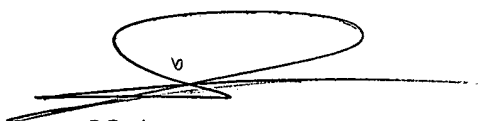
The company has achieved a pre-tax profit of £298,731 (2014: profit of £184,356) and a retained profit of £38,476, after an interim dividend of £200,000 (2014: profit of £144,665). The company expects that the trading conditions will be similar to that experienced in 2015. Pressure on margins are expected to increase during the year.

Key performance indicators are as follows:

	2015	2014
Gross margin	11,57%	9,18%
Operating margin	3,59%	2,16%

Although no specific statistics are available the company aims to consider the welfare of its staff at all times whilst operating with an awareness and responsibility towards key environmental issues.

Signed by



B Ewals
Director



Directors' report

Results and dividends

The profit for the year amounted to £238,476 (2014 profit: £144,665). The directors recommend and paid a dividend of £200,000 during the year (2014: nil).

Directors and directors' interest

These are the directors that held office during the period:

Ewals Cargo Care Transport BV
B Ewals

The directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all steps that it ought to have taken as a director to make itself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to reappoint KPMG LLP as auditors will be put to the members at the Annual General Meeting.

Signed by

A handwritten signature in black ink, consisting of a large loop followed by a horizontal stroke and a diagonal line.

B Ewals
Director

A handwritten signature in black ink, consisting of a large loop followed by a horizontal stroke and a diagonal line.

Statement of directors' responsibilities in respect of the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 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 and apply them consistently;
- make judgements and 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; and
- 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 proper 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report
to the members of Mega Trucking Company Limited

We have audited the financial statements of Mega Trucking Company Limited for the year ended 31 December 2015 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

S Beavis

18/5/16

Stephanie Beavis (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House, 100 Hills Road, Cambridge CB2 1AR

Mega Trucking Company Limited

Profit and loss account for the year ended 31 December 2015

		2015	2014
	Notes	£	£
Turnover	2	8,323,331	8,532,172
Cost of sales		<u>(7,359,735)</u>	<u>(7,749,338)</u>
Gross profit		963,596	782,834
Administrative expenses		<u>(664,865)</u>	<u>(598,478)</u>
Operating profit	3	298,731	184,356
Profit on ordinary activities before taxation		298,731	184,356
Tax on profit on ordinary activities	5	<u>(60,255)</u>	<u>(39,691)</u>
Profit for the financial year		<u>238,476</u>	<u>144,665</u>

All amounts relate to continuing operations.

There were no recognised gains and losses other than the profit for the financial year.

Mega Trucking Company Limited

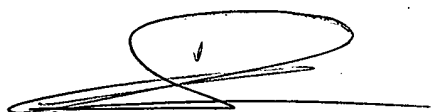
Balance sheet at 31 December 2015

	Notes	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	6		-		-
Current assets					
Debtors	7	1.272.597		1.271.613	
Cash at bank and in hand		106.826		150.086	
			<u>1.379.423</u>	<u>1.421.699</u>	
Creditors: amounts falling due within one year	8	<u>(507.797)</u>		<u>(588.549)</u>	
Net current assets			871.626		833.150
Total assets			<u>871.626</u>		<u>833.150</u>
Capital and reserves					
Called up share capital	11		10.000		10.000
Profit and loss account	12		861.626		823.150
Shareholders' funds	12		<u>871.626</u>		<u>833.150</u>

These financial statements were approved by the board of directors on

18/5/16

and were signed on its behalf by:



B Ewals
Director



Mega Trucking Company Limited

Company Statement of Changes in Equity for the year ended 31 December 2015

	Called up share capital £	Profit & loss account £	Total equity £
Balance at 1 January 2014	10.000	678.485	688.485
Total comprehensive income for the period			
Profit or loss	-	144.665	144.665
Total comprehensive income for the period	-	144.665	144.665
Balance at 31 December 2014	10.000	823.150	833.150
Balance at 1 January 2015	10.000	823.150	833.150
Total comprehensive income for the period			
Profit or loss	-	238.476	238.476
Total comprehensive income for the period	-	238.476	238.476
Transactions recorded directly into equity			
Dividends paid	-	(200.000)	(200.000)
Balance at 31 December 2015	10.000	861.626	871.626

Notes to the financial statements

1 Accounting Policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. In the transition to FRS 102 from the old UK GAAP, the company has made no measurement and recognition adjustments.

The largest and smallest group in which the results of the company is consolidated is that of which Ewals Holdings BV is the parent company. The group financial statements can be obtained from the Chamber of Commerce, Venlo, The Netherlands. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

The company's forecasts and projections, taking account of expectations in positive changes in trading performance, show that the company is expected to generate positive cash flows on its own account for the foreseeable future.

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in the annual financial statements.

Related parties transactions

The company is a wholly owned subsidiary of Ewals Cargo Care Transport BV, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with members or investees of the Ewals Cargo Care Transport group.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or valuation of each asset evenly over its expected useful life, as follows:

Plant & machinery - 20% to 33%

The carrying value of tangible fixed assets is reviewed for impairment in periods where events or changes in circumstances indicated that the carrying value may not be recoverable.

Taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes to the financial statements (continued)

1 Accounting Policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Pension costs

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover is wholly attributable to the principal activity of the company after deducting trade discounts and value added tax where appropriate. Turnover is attributable to the UK region.

3 Operating profit

This is stated after charging:

	2015 £	2014 £
Auditors' remuneration - audit of these financial statements	<u>10,500</u>	<u>10,500</u>
Depreciation of owned assets	<u>-</u>	<u>-</u>
Operating leases	<u>1,070,562</u>	<u>1,092,849</u>

4 Staff costs

	2015 £	2014 £
Wages and salaries	2,465,681	2,257,157
Social security costs	238,288	218,087
Other pension costs	67,549	45,543
	<u>2,771,518</u>	<u>2,520,787</u>

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

	2015 No.	2014 No.
Drivers	75	68
Administrative staff	15	12
	<u>90</u>	<u>80</u>

The directors did not receive any emoluments during the year (2014: Nil).

Notes to the financial statements (continued)

5 Taxation

	2015	2014
	£	£
<i>UK corporation tax</i>		
Current tax on income for the period	60.255	39.691
Current tax charge for period	60.255	39.691
Deferred tax (see note 9)	-	-
Tax on profit on ordinary activities	60.255	39.691

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2014: higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	2015	2014
	£	£
<i>Total tax reconciliation</i>		
Profit after tax	238.476	144.665
Total tax charge for the year	60.255	39.691
Profit on ordinary activities before taxation	298.731	184.357
Average rate of tax for year at 20.25% (2014: 21.5%)	60.493	39.637
<i>Effects of</i>		
Expenses not deductible	292	120
Other timing differences	(530)	(66)
Total tax (see above)	60.255	39.691

Factors affecting the tax charge in future years

The standard rate of corporation tax in the UK reduced from 21% to 20% with effect from 1 April 2015. Accordingly the Company's profit for this accounting period are taxed at an effective rate of 20.25%. The standard rate will fall further to 19% with effect from 1 April 2017 and 18% with effect from April 2020. These rates were enacted during the current period and deferred tax balances have been stated at a rate of 18%.

6 Tangible fixed assets

	Plant & Machinery £
Cost:	
At 1 January 2015	14.273
Disposals	(14.273)
At 31 December 2015	-
Depreciation:	
At 1 January 2015	14.273
Disposals	(14.273)
At 31 December 2015	-
Net book value:	
At 31 December 2015	-
At 31 December 2014	-

Notes to the financial statements (continued)

7 Debtors

	2015	2014
	£	£
Trade debtors	1,038,052	961,562
Other debtors	171,599	219,665
Prepayments and accrued income	62,946	90,386
	<u>1,272,597</u>	<u>1,271,613</u>

8 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	184,994	298,584
Amounts owed to group undertakings	1,895	6,740
Corporation tax	35,652	1,586
Other taxes and social security	67,990	54,665
Accruals and deferred income	217,266	226,974
	<u>507,797</u>	<u>588,549</u>

9 Deferred Tax

No deferred tax has been recognised in either the current or prior years.

The element of unprovided deferred tax assets is as follows:

	2015	2014
	£	£
Depreciation in advance of capital allowances	<u>557</u>	<u>722</u>

10 Pensions

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 scheme. At the year end unpaid contributions amounted to £7,343 (2014: £6,824)

Notes to the financial statements (continued)

11 Share capital

Allotted, called up and fully paid

	No	2015 £	No	2014 £
Ordinary shares of £1 each	10.000	<u>10.000</u>	10.000	<u>10.000</u>

12 Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit & loss account £	Total share- holders funds £
At 1 January 2014	10.000	678.485	688.485
Profit for the year	-	144.665	144.665
Capital contribution repaid		-	-
At 31 December 2014	<u>10.000</u>	<u>823.150</u>	<u>833.150</u>
Profit for the year	-	238.476	238.476
Dividends	-	(200.000)	(200.000)
At 31 December 2015	<u>10.000</u>	<u>861.626</u>	<u>871.626</u>

13 Operating lease commitments

As at 31 December 2015 the company had total commitments under non-cancellable operating leases for trucks as set out below:

	2015 £	2014 £
Less than one year	107.007	413.439
Between one and five years	1.253.512	448.287
At 31 December 2015	<u>1.360.519</u>	<u>861.726</u>

14 Ultimate Parent Company

The company's immediate parent company at the year end is Ewals Cargo Care Transport BV, Arienstraat 61-63, 5931 HM Tegelen, The Netherlands, incorporated in the Netherlands. The largest and smallest group in which the results of the company are consolidated is that of which Ewals Holdings BV is the parent company. The group financial statements can be obtained from The Chamber of Commerce, Venlo, The Netherlands.

The ultimate controlling party is considered to be Ewals Holdings BV, a company incorporated in the Netherlands.