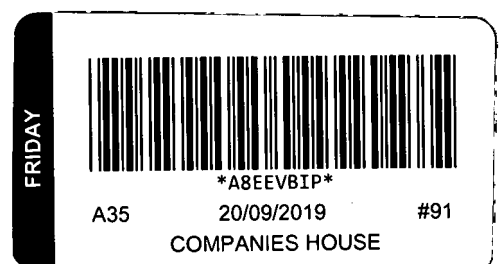


**Mega Trucking Company Limited**

**Annual report and financial statements**

**Registered number 02681656**

**31 December 2018**



**Mega Trucking Company Limited**

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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

## Strategic report

The directors present their strategic report for the year ended 31 December 2018.

### 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 the use of agency labour and short term rental 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 increased from £6,876,396 in 2017 to £7,917,486 in 2018. This improvement of 15.1% is a reflection of more trucks working and sales rates being adjusted, in part, to reflect increased fuel prices. The increase in turnover mentioned has translated into an improved result for the year at a slightly better operating margin.

The company has achieved a pre-tax profit of £137,386 (2017: £108,156) and a retained profit of £111,165 (2017: £87,259).

Key performance indicators are as follows:

	2018	2017
Gross margin	9.70%	10.64%
Operating margin	1.73%	1.57%

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.

### Future Developments

The company expects that the trading conditions in 2019 will be similar to that experienced in 2018. Pressure on margins are expected to remain constant during the year.

### Principal risks and uncertainties

The company expects that uncertainties in the overall logistics market will be maintained for the foreseeable period, principally caused by Brexit. The possible ramifications are volume reductions, but the company is actively looking to mitigate any possible impact. The logistics market already acknowledges that there is a shortage of drivers within the United Kingdom and currently European Union drivers fill the shortfall. This balancing factor is expected to worsen as European Union drivers migrate from the United Kingdom. The company is endeavouring to stabilise the workforce by increasing the ratio of full time employees to agency drivers. Truck rental agreements are spread, deliberately, so every year some replacements are due which gives scope to review the fleet size.

Signed by

  
B Ewals  
Director

16.09.2019

## **Directors' report**

The directors present their directors' report and financial statements for the year ended 31 December 2018. The business review, future developments and principal risks and uncertainties have been included in the strategic report on page 3.

### **Results and dividends**

The profit for the year amounted to £111,165 (2017: £87,259). The directors do not recommend the payment of a dividend for the year (2017: 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**

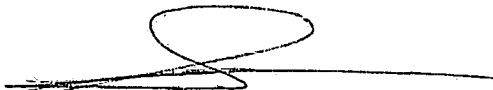
A resolution to reappoint KPMG LLP as auditors will be put to the members at the Annual General Meeting.

### **Post balance sheet events**

There are no post balance sheet events.

Signed by

B Ewals  
Director

  
16.09.2019

**Statement of directors' responsibilities in respect of the strategic report, the directors' report and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or to have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error, and 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.

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

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

### **Opinion**

We have audited the financial statements of Mega Trucking Company Limited ('the company') for the year ended 31 December 2018 which comprise the Profit and Loss account, Statement of Comprehensive Income, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We have conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**The impact of uncertainties due to the UK exiting the European Union on our audit**  
Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the recoverability of debtors and the completeness and accuracy of accruals and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardized firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### **Going Concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ('the going concern period').

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

Our responsibilities 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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decision or users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

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 expect 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.



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

16 September 2019

**Mega Trucking Company Limited**

**Profit and loss account and Other Comprehensive Income**  
for the year ended 31 December 2018

		2018	2017
	Notes	£	£
Turnover	2	7,917,486	6,876,396
Cost of sales		<u>(7,147,052)</u>	<u>(6,144,709)</u>
Gross profit		770,434	731,687
Administrative expenses		<u>(633,048)</u>	<u>(623,531)</u>
Operating profit	4	137,386	108,156
Profit before taxation		137,386	108,156
Tax on profit	6	<u>(26,221)</u>	<u>(20,897)</u>
Profit for the financial year		<u>111,165</u>	<u>87,259</u>

All amounts relate to continuing operations.

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

The notes on pages 11 to 15 form part of these financial statements.



**Mega Trucking Company Limited**

**Balance sheet**  
at 31 December 2018

	Notes	£	2018 £	£	2017 £
<b>Current assets</b>					
Debtors	7	1,561,061		1,461,812	
Cash at bank and in hand		51,106		120,843	
		<u>1,612,167</u>		<u>1,582,655</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(473,492)</u>		<u>(555,145)</u>	
<b>Net current assets</b>			<u>1,138,675</u>		<u>1,027,510</u>
<b>Total assets less current liabilities</b>			<u>1,138,675</u>		<u>1,027,510</u>
<b>Net assets</b>			<u>1,138,675</u>		<u>1,027,510</u>
<b>Capital and reserves</b>					
Called up share capital	11	10,000		10,000	
Profit and loss account	12	1,128,675		1,017,510	
<b>Shareholders' funds</b>	12	<u>1,138,675</u>		<u>1,027,510</u>	

Company registration number 02681656

These financial statements were approved by the board of directors on 16.09.2019 and were signed on its behalf by:

  
B. Ewals  
Director

The notes on pages 11 to 15 form part of these financial statements.

**Mega Trucking Company Limited**

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**Statement of Changes in Equity**  
for the year ended 31 December 2018

	Called up share capital £	Profit & loss account £	Total equity £
Balance at 1 January 2017	10,000	930,251	940,251
Total comprehensive income for the period Profit or loss	-	87,259	87,259
Total comprehensive income for the period	-	87,259	87,259
Balance at 31 December 2017	10,000	1,017,510	1,027,510
Balance at 1 January 2018	10,000	1,017,510	1,027,510
Total comprehensive income for the period Profit or loss	-	111,165	111,165
Total comprehensive income for the period	-	111,165	111,165
Balance at 31 December 2018	10,000	1,128,675	1,138,675

The notes on pages 11 to 15 form part of these financial statements.

## Notes to the financial statements

### I Accounting Policies

Mega Trucking Company Limited (the 'Company') is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 02681656 and the registered address is Charter Court, Stephenson Road, Colchester Business Park, Colchester, Essex, CO4 9QE

#### 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.

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.

#### Going Concern

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.

#### 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.

#### Basic financial instruments

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Notes to the financial statements (continued)

1 Accounting Policies (continued)

Expenses  
Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Employee benefits  
Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

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.

2 Turnover

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

Mega Trucking Company Limited recognises revenue based upon completion of logistic services provided to customers.

Turnover is attributable to the UK region.

3 Debtor and creditor reclassification

Management have made the decision this year to disclose intercompany debtors and creditors as amounts owed by and to members of the Ewals Holdings B.V. Group. This has been reflected in this year's accounts both at 31 December 2018 and 31 December 2017.

Management believe this allows for a more representative view of the accounts.

4 Operating profit

Operating profit is stated after charging:

	2018	2017
	£	£
Auditor's remuneration:		
Audit of these financial statements:	11,300	10,800
Operating leases	1,219,971	1,102,777

5 Staff numbers and costs

	2018	2017
	£	£
Wages and salaries	2,314,462	2,195,564
Social security costs	221,775	211,704
Other pension costs	65,537	61,305
	2,601,774	2,468,573

Notes to the financial statements (continued)

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

	2018 No.	2017 No.
Drivers	63	67
Administrative staff	15	14
	<u>78</u>	<u>81</u>

None of the directors received any remuneration from the company in respect of their services during the year (2017: Nil). Certain directors who served during the year are also directors of the parent company or a fellow group company, and are remunerated by those companies. Although they do receive remuneration from those companies in respect of their services to various group companies, including this company, any allocation would be notional. Therefore, their remuneration has been disclosed in the financial statements of the relevant company from which remuneration is received.

6 Taxation

	2018 £	2017 £
<i>UK corporation tax</i>		
Current tax on income for the period	<u>26,221</u>	<u>20,897</u>
Current tax charge for period	26,221	20,897
Deferred tax (see note 9)	-	-
Tax on profit on activities	<u>26,221</u>	<u>20,897</u>

*Factors affecting the tax charge for the current period*

The current tax charge for the period is higher (2017: lower) than the standard rate of corporation tax in the UK. The differences are explained below.

	2018 £	2017 £
<i>Total tax reconciliation</i>		
Profit after tax	111,165	87,259
Total tax charge for the year	<u>26,221</u>	<u>20,897</u>
Profit on activities before taxation	137,386	108,156
Average rate of tax for year at 19.00% (2017: 19.25%)	26,103	20,820
<i>Effects of</i>		
Expenses not deductible	181	176
Other timing differences	(63)	(99)
Total tax (see above)	<u>26,221</u>	<u>20,897</u>

*Factors affecting the tax charge in future years*

The standard rate of corporation tax in the UK is 19% effective from 1 April 2017. Accordingly the Company's profit for this accounting period are taxed at an effective rate of 19.09%. The standard rate will fall further to 18% with effect from 1 April 2020. These rates were enacted during the current period and deferred tax balances have been stated at a rate of 18%.

7 Debtors

	2018 £	2017 £
Trade debtors	38,852	39,590
Amounts owed by group undertakings	1,074,010	1,140,745
Other debtors	240,885	242,121
Prepayments and accrued income	207,314	39,356
	<u>1,561,061</u>	<u>1,461,812</u>

Notes to the financial statements (continued)

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	138,030	145,716
Amounts owed to group undertakings	38,698	120,625
Corporation tax	26,221	20,897
Other taxes and social security	62,651	61,149
Accruals and deferred income	207,892	206,758
	<u>473,492</u>	<u>555,145</u>

9 Deferred Tax

Deferred tax assets are attributable to the following:

	2018 £	2017 £
Depreciation in advance of capital allowances	<u>273</u>	<u>317</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 £7,154 (2017: £6,708). The total expense relating to these plans in the current year was £65,537 (2017: £61,305).

11 Share capital

*Allotted, called up and fully paid*

	No	2018 £	No	2017 £
Ordinary shares of £1 each	10,000	<u>10,000</u>	10,000	<u>10,000</u>

Notes to the financial statements (continued)

12. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit & loss account £	Total shareholders funds £
At 1 January 2017	10,000	930,251	940,251
Profit for the year	-	87,259	87,259
At 31 December 2017	10,000	1,017,510	1,027,510
Profit for the year	-	111,165	111,165
At 31 December 2018	10,000	1,128,675	1,138,675

13. Operating lease commitments

As at 31 December 2018 the company had total commitments under non-cancellable operating leases for trucks as set out below:

	2018 £	2017 £
Less than one year	151,823	60,790
Between one and five years	1,687,555	1,757,012
At 31 December 2018	1,839,378	1,817,802

14. Related parties

As permitted by FRS 102 paragraph 33.1A, the company has not presented details of related party transactions with other companies that are wholly owned within the group. There were no additional related party transactions to disclose.

15. Ultimate Parent Company

The company's immediate parent company at the year end is Ewals Cargo Care Transport BV, Arienstraat 61-63, 3931 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 parent company is Stichting Administratie Kantoór BPS and is controlled equally by more than one party and therefore no one party is deemed to have control.

16. Post balance sheet events

There are no post balance sheet events.