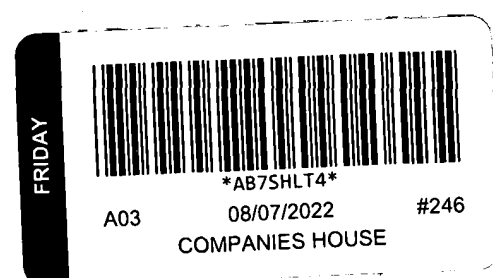


Registered No: 03291167

LUBBERS (UK) LIMITED

Report and Financial Statements

31 December 2021



Corporate Information

Directors

A R Tailford

D H Mulder

N F Latham

Independent Auditor

Ernst & Young LLP

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JD

Bankers

NatWest Plc

Trinity Gardens

Broadchare

Quayside

Newcastle upon Tyne

NE1 2HF

Solicitors

Muckle LLP

Time Central

32 Gallowgate

Newcastle upon Tyne

NE1 4BF

Registered Office

11 Atley Way

Nelson Industrial Estate

Cramlington

Northumberland

NE23 1WA

Strategic report

The directors present their strategic report for the year ended 31 December 2021.

Principal activities

The principal activity of the company during the year was road haulage contracting. The trading activity of the company was satisfactory during the year.

Review of the business

The company's key financial and other performance indicators during the year were as follows:

	2021	2020	Change
	£000	£000	%
Turnover	23,895	17,091	39
Operating Profit	3,299	639	416
Profit after Tax	2,489	482	416
Shareholders' funds	3,221	732	340
Current assets as % of current liabilities ('quick ratio') (%)	135	83	
Average number of employees	91	89	

Turnover increased by 39% because of the recovery from covid pandemic. We have again made further improvements in both operating and net profit. The directors are looking to continue to make further profits in 2022 and further strengthen our position in the market.

There was no dividend payment made in 2021 (2020: £1,875,742) to Lubbers Transport Group.

The company has considerable financial resources with contracts with a number of customers and suppliers across different geographical areas. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current economic outlook.

Principal risks and uncertainties

The company operates in a very competitive market where service, quality, price and good working relationships with customers are key factors in our success. The directors believe the business is well positioned to provide this combination of values to our customers.

Health and Safety is a critical element of our business philosophy. We actively promote safe working practices with risk assessment through management and employee development being the key to accident prevention.

The company is committed to providing a safe and healthy workplace for all its employees.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy creditor worthiness procedures. The Company continually reviews its receivable position and the credit risk associated with this position, taking into consideration the impact of the current pandemic when

Strategic report

assessing the risk. The Directors believe that payment default remains a low risk and have assessed this exposure as acceptable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generated by its operations. The Directors have assessed the liquidity risk as acceptable.

Currency risk

The Company has transactions in currencies other than its functional currency. Transaction exposures arise from the normal trading activities of the Company. The Company also has translation risk on monetary asset and liabilities denominated in currencies other than its functional currency. The Directors have assessed the exposure to currency transaction risk as acceptable.

Interest rate risk

The Company has interest-bearing liabilities resulting from its hire purchase agreements and invoice discounting arrangements (see Note 12 and 13).

As at 31 December 2021, interest-bearing liabilities has a carrying value of £2,657,931 (2020: £4,416,259). The rates of interest are mostly fixed and create less volatility in earnings from period to period, therefore the Directors have assessed this risk as acceptable.

Brexit Risk

With the signed trade agreement now in place with the EU we are now fully aware of the risks caused by Brexit. The company has sought to minimise its exposure to any risk through localising its major suppliers within the UK in order to minimise any disruption. Given the nature of the company's operations, management do not currently envisage any significant logistical impacts of Brexit in its relationships with customers and revenues, though any movements in exchange rates and restrictions at UK ports could have an impact on the company's results.

COVID-19

The company has been successful managing its response to the COVID-19 pandemic. The company put procedures in place to allow staff to work from home as well as making offices more covid compliant. We continue to monitor the latest government advice to workplaces.

Ukraine/Russia conflict

In early 2022 the company experienced an increase in fuel, electric and gas costs as a result of the War in Ukraine. We have had discussion with our customers and increased sales prices in certain areas to allow us to mitigate the impact of these additional costs.

By order of the Board



A R Tailford
Director

1st July 2022

Directors' report

The directors present their report and financial statements for the year ended 31 December 2021.

Directors of the company

The directors who served during the year were as follows:

A R Taillford
J G Engelsman (resigned 31st March 2021)
D H Mulder
N F Latham

Results and dividends

The profit for the year, after taxation, amounted to £2,488,652 (2020: £482,395). The directors do not recommend payment of a dividend (2020: £1,875,742).

Going Concern

The directors have considered the company's current and future prospects and its availability of financing, and are satisfied that the company can continue to pay its liabilities as they fall due for a period of least 12 months from the date of these financial statements. In particular, the directors are happy with the way the business has recovered after Covid 19 and sales and profits have surpassed pre-pandemic levels.

The directors have also considered the potential implications of the conflict in Ukraine and wider headwinds in global economies in respect of matter such as price inflation and increases in energy costs. The company is in a position that it can call on reserves from previous years to support the business going forward, if required.

For this reason, the directors continue to adopt the going concern basis of preparation for these financial statements. Accordingly, the financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company were unable to continue as a going concern.

Future developments

The directors are confident the sales will continue to increase as we continue to keep the costs as low as possible. They are also looking at winning new contracts.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006.

The board of directors of Lubbers UK Ltd consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the act) in the decisions taken during the year ended 31 December 2021.

The Company continue to invest in the UK operation and seeks to develop the business in existing and growing markets. We constantly review our operations with the goal of optimising efficiency. We adhere to strong ethical principles and expect our stakeholders to align to these principles.

Employees

The company promotes attractive job opportunities and invests in our personnel via training and support. Lubbers UK Ltd is committed to a diverse workplace. We seek to actively recruit, continually develop and retain talented people from diverse backgrounds and origins.

Health and Safety

A commitment to safety and occupational risk prevention are Lubbers UK's top corporate priorities. Lubbers UK strives to minimise the risks of accidents or illness among its employees through managing a continuous improvement of occupational health and safety.

Customers

Directors' report

Lubbers UK seeks to attract and retain customers by offering a superior service and through fair and honest competition.

Suppliers

Lubbers UK seeks good working relationships with our suppliers and expects them to adhere in full to the values and principles of legal compliance and ethical behaviour.

Community regulators and environment

Lubbers UK aims to contribute to the development and wellbeing of the communities in which we operate, by delivering our services profitably and efficiently. The prevention of pollution is a core management goal and we are committed to the continuous improvement of our environmental behaviour. We promote recycling and we work to comply with regulations governing our industry.

As a board of directors, our intention is to behave responsibly toward our shareholders and treat them fairly and equally, so they will benefit from the successful delivery of our plan.

Employee Involvement

The company operates a framework for employee information and consultation which complies with the requirements of the information and consultation of employees reg 2004. During the year, regular meetings were held between local management and employees to allow a free flow of information and ideas.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditor

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for re-appointment of Ernst & Young LLP as auditor of the Company.

On behalf of the Board



A R Tailford
Director

1st July 2022

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). 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 then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Independent auditors' report

to the members of LUBBERS (UK) LIMITED

Opinion

We have audited the financial statements of Lubbers (UK) Limited for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditors' report

to the members of LUBBERS (UK) LIMITED

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

Independent auditors' report

to the members of LUBBERS (UK) LIMITED

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 6, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant direct tax compliance regulations in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated this by reviewing supporting documentation to validate that the company has a process for monitoring legal requirements; and has a process for reporting matters of non-compliance and taking appropriate action.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assessing revenue to be a fraud risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved incorporating data analytics into our testing of journals and revenue recognition. Applying our data techniques we identified the manual journal population deemed most susceptible to fraud (based on our fraud risk criteria) and substantiated these transactions back to supporting documentation. In addition we tested a sample of revenue transactions back to source documentation including corroborating appropriate authorisation of such transactions..

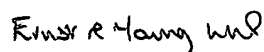
Independent auditors' report

to the members of LUBBERS (UK) LIMITED

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

Use of our Report

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



Richard Lingwood (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
Newcastle upon Tyne

1st July 2022

LUBBERS (UK) LIMITED

Income Statement

for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	2	23,894,772	17,091,459
Cost of sales		(16,880,040)	(13,093,485)
Gross Profit		7,014,732	3,997,974
Administrative expenses:			
Before Exceptional costs		(3,772,498)	(3,319,122)
Exceptional Costs	6	-	(110,000)
Other operating income		57,095	70,273
Operating Profit	3	3,299,329	639,125
Profit on disposal of tangible fixed assets		120,894	139,697
Profit before interest & taxation		3,420,223	778,822
Interest payable and similar charges	7	(143,815)	(139,318)
Profit before taxation		3,276,408	639,504
Tax on profit	8	(787,756)	(157,109)
Profit for the financial year		2,488,652	482,395

All of the activities of the company are classed as continuing.

Statement of Comprehensive Income

for the year ended 31 December 2021

There is no comprehensive income other than the profit attributable to the shareholders of the company of £2,488,652 in the year ended 31 December 2021 (2020: £482,395).

Statement of Changes in Equity

for the year ended 31 December 2021

	<i>Called up share capital</i>	<i>Profit & loss account</i>	<i>Total equity</i>
	£	£	£
At 1 January 2020	2	2,125,742	2,125,742
Profit for the year	-	482,395	482,395
Transactions with owners			
Dividends paid during the year	-	(1,875,742)	(1,875,742)
At 31 December 2020	2	732,395	732,397
Profit for the year	-	2,488,652	2,488,652
Transactions with owners			
Dividends paid for the year	-	-	-
At 31 December 2021	2	3,221,047	3,221,049

Statement of Financial Position

at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	10	3,815,238	3,786,724
Current assets			
Debtors	11	5,127,822	3,944,588
Cash at bank and in hand		471,584	299,837
		5,599,406	4,244,425
Creditors: amounts falling due within one year	12	(4,132,599)	(5,121,379)
Net current assets (liabilities)		1,466,807	(876,954)
Total assets less current liabilities		5,282,045	2,909,770
Creditors: amounts falling due after more than one year	13	(1,421,089)	(1,783,796)
Provisions for liabilities and charges	15	(639,907)	(393,577)
Net assets		3,221,049	732,397
Capital and reserves			
Called up share capital	16	2	2
Profit and loss account	17	3,221,047	732,395
Shareholders' funds		3,221,049	732,397

The financial statements were approved by the Board of Directors on 1st July 2022 and signed on their behalf by:



A R Tailford
Director

Notes to the financial statements

at 31 December 2021

1. Accounting policies

Statement of compliance

Lubbers (UK) Limited is a private limited liability company, limited by shares, incorporated in England. The registered office is 11 Atley Way, Cramlington, NE23 1WA.

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2021.

In these financial statements, the company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- 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 11 Basic Financial Instruments paragraphs 11.39 to 11.48A
- the requirements of Sections 33.1A and 33.7 Related Party Disclosures

The group in which the results of the Company are consolidated is Lubbers Transport Group B.V.

Consolidated financial statements are available at Klaverakker 1, 7761 RA Schoonebeek, Netherlands.

Going concern

The directors have considered the company's current and future prospects and its availability of financing, and are satisfied that the company can continue to pay its liabilities as they fall due for a period of least 12 months from the date of these financial statements. In particular, the directors are happy with the way the business has recovered after Covid 19 and sales and profits have surpassed pre-pandemic levels.

The directors have also considered the potential implications of the conflict in Ukraine and wider headwinds in global economies in respect of matter such as price inflation and increases in energy costs. The company is in a position that it can call on reserves from previous years to support the business going forward, if required.

For this reason, the directors continue to adopt the going concern basis of preparation for these financial statements. Accordingly, the financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company were unable to continue as a going concern.

Basis of preparation

The financial statements of Lubbers (UK) Limited have been prepared in accordance with applicable accounting standards. The financial statements are prepared in GBP sterling, which is the functional currency of Lubbers (UK) Limited, and are rounded to the nearest £.

Judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date, and the amounts reported for revenues and expenses during the period.

Useful economic lives of fixed assets -

Management estimation is required to determine the appropriate asset lives over which to depreciate the Company's tangible fixed assets in light of the change in depreciation policy of our trucks carried out in 2021.

Revenue recognition

Turnover is recognised as goods are delivered and services rendered by the company. Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Notes to the financial statements

at 31 December 2021

Revenue is recognised when services are physically provided to the customer, usually on delivery, and represents the value of services provided to the extent that there is a right to consideration and is recorded at the value of consideration due.

Other Significant Accounting Policies

Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation is provided so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold property	--	over lease term
Plant and machinery	--	10% straight-line basis
Motor vehicles	--	10% to 20% straight-line basis with a 10% residual value
Equipment	--	15% to 30% straight-line basis

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the income statement on a straight line basis.

Operating lease agreements

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases and rentals payable are charged in the income statement on a straight line basis over the lease term.

Current and Deferred taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation 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 right to pay less or to receive more, tax, with the following exceptions:

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.

Exceptional items

The Company classifies certain one-off charges or credits that have a material impact on the Company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Company.

Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange 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 income statement.

Notes to the financial statements

at 31 December 2021

Pensions

The company contributes to a defined contribution pension scheme, the assets of which are held separately from the company in an independently administered fund. Contributions to the defined contribution pension scheme are taken to income statement in the period in which they become payable.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. The turnover and profit before tax are attributable to the principal activity of the company.

3. Operating Profit

This is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of owned fixed assets	140,797	333,527
Depreciation of assets held under hire purchase agreements	635,696	599,423
Operating lease rentals -- land and buildings	470,000	470,000
Auditor's remuneration	41,350	37,750
Rent receivable	(50,095)	(70,273)
Foreign exchange loss/ (gain)	(2,505)	16,379

4. Directors' remuneration

	2021 £	2020 £
Emoluments	320,438	470,813
Estimated benefits in kind	11,469	32,432
Pension contributions	7,650	20,906
	339,557	524,151

The emoluments (excluding pension contributions) of the highest paid director were £182,593 (2020 : £184,623)

The company contributes to personal pension arrangements for 1 directors (2020: 2).

Notes to the financial statements

at 31 December 2021

5. Staff costs

	2021	2020
	£	£
Wages and salaries	4,739,096	4,294,142
Social security costs	480,396	425,520
Pension costs	136,955	121,718
	5,356,447	4,841,380

The company operates a defined contribution scheme. The pension cost charge for the period represents contributions payable to the Scheme and amounted to £136,955 (2020: £121,718).

Contributions amounting to £5,315 (2020: £4,604) were payable to the Scheme at year end and are included in accruals and deferred income in Note 12.

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

	No.	No.
Management	3	5
Haulage	88	84
	91	89

6. Exceptional Costs

In the prior year SM Ferguson left the Company on 31 December 2020 and received £110k as final settlement. There are no exceptional costs in the current year.

7. Interest payable and similar charges

	2021	2020
	£	£
Finance charges under hire purchase contracts	79,075	86,090
Finance charges under short term borrowings	64,740	53,228
	143,815	139,318

Notes to the financial statements

at 31 December 2021

8. Tax

(a) Tax on profit

The tax charge is made up as follows:

	2021 £	2020 £
<i>Current tax:</i>		
UK corporation tax on the profit for the year	541,426	18,414
Over/(under) provision in prior year	-	(8)
Total current tax	541,426	18,406
<i>Deferred tax:</i>		
Timing differences, origination and reversal	246,330	138,703
Total deferred tax (note 15)	246,330	138,703
Tax on profit	787,756	157,109

(b) Factors affecting total tax charge for the year

The tax assessed on the profit for the year is different to the standard rate of corporation tax in the UK. The differences are explained below:

	2021 £	2020 £
Profit before tax	3,276,408	639,504
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	622,535	121,506
<i>Effects of:</i>		
Expenses not deductible for tax purposes	11,643	5,627
Changes in tax charges	124,288	29,985
Over (Under) provision in prior year	29,290	(8)
Total tax charge for the year (note 8(a))	787,756	157,109

(c) Factors that may affect future tax charges

Finance Bill 2021 was published and substantively enacted in 2021. The Bill enshrines in law an increase in the UK corporation tax rate from 19% to 25% effective from 1 April 2023. As the Bill was substantively enacted before the balance sheet date, the Company has re-measured its deferred tax liability to reflect the change in rates.

Notes to the financial statements

at 31 December 2021

9. Dividends

Equity dividends

	2021	2020
	£	£
Declared and paid during the year:		
Equity dividends on 'A' shares	-	1,875,742

10. Tangible fixed assets

	<i>Leasehold property</i>	<i>Plant and machinery</i>	<i>Motor vehicles</i>	<i>Equipment</i>	<i>Total</i>
	£	£	£	£	£
Cost:					
At 1 January 2021	324,861	440,973	6,070,084	31,487	6,867,405
Additions	-	-	873,692	-	873,692
Disposals	-	-	(662,168)	-	(662,168)
At 31 December 2021	324,861	440,973	6,281,608	31,487	7,078,929
Depreciation:					
At 1 January 2021	131,006	373,970	2,546,387	29,318	3,080,681
Charge for the year	39,545	22,296	713,813	839	776,493
On disposals	-	-	(593,483)	-	(593,483)
At 31 December 2021	170,551	396,266	2,666,717	30,157	3,263,691
Net book value:					
At 31 December 2021	154,310	44,707	3,614,891	1,330	3,815,238
At 1 January 2021	193,855	67,003	3,523,697	2,169	3,786,724

Hire purchase agreements

Included within the net book value of £3,815,238 is £3,226,706 (2020: £3,120,554) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £635,696 (2020: £599,423).

Notes to the financial statements

at 31 December 2021

11. Debtors

	2021	2020
	£	£
Trade debtors	4,745,297	3,637,368
Other debtors	55,123	18,629
Prepayments and accrued income	271,728	212,995
Corporation tax (overpayment)	-	39,975
Amounts owed by group undertakings	55,674	35,621
	5,127,822	3,944,588

12. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,647,879	1,204,966
Amounts owed to group undertakings	498,541	153,734
Corporation tax recoverable	238,039	-
Other taxation and social security	223,347	874,960
Hire purchase agreements (note 14)	1,007,671	808,214
Amounts advanced under invoice discounting arrangements	229,171	1,824,249
Accruals and deferred income	287,951	255,256
	4,132,599	5,121,379

The company's bank facilities are secured by a debenture over all assets of the company and its hire purchase liabilities are secured on the assets to which they relate.

13. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Hire purchase agreements (note 14)	1,421,089	1,783,796

14. Obligations under hire purchase contracts

	2021	2020
	£	£
Hire purchase agreements are analysed as follows:		
Within 1 year or on demand (note 12)	1,007,671	808,214
Between 2 and 5 years (note 13)	1,421,089	1,783,796
	2,428,760	2,592,010

Notes to the financial statements

at 31 December 2021

15. Provisions for liabilities and charges

	2021	2020
	£	£
Deferred tax is provided as follows:		
Opening balance	393,577	254,874
Movement in the year (note 8(a))	246,330	138,703
Closing balance	639,907	393,577
Capital allowances in excess of depreciation	639,907	393,577

16. Issued share capital

	No.	2021	No.	2020
		£		£
<i>Allotted, called up and fully paid</i>				
'A' Shares shares of £0.05 each	20	1	20	1
'B' Shares shares of £0.05 each	2	-	2	-
'C' Shares shares of £0.05 each	18	1	18	1
		2		2

17. Reserves

Profit and loss account

This records cumulative profit and loss less any dividends paid.

18. Other financial commitments

At 31 December 2021, the company had future minimum rentals payable under non-cancellable operating leases as follows:

	<i>Land & Buildings</i>	
	2021	2020
	£	£
Total amounts payable:		
Within one year	470,000	470,000
In two to five years	2,350,000	1,680,000
In over five years	458,750	528,750
	3,278,750	2,678,750

Notes to the financial statements

at 31 December 2021

19. Related party transactions

The company has not disclosed transactions with other Group companies and key management personnel, as it has taken advantage of the exemption contained within FRS 102.33.1A and FRS 102.33.7 on the grounds that the company is a wholly owned subsidiary.

The company has traded with a director, A R Tailford and his associated undertakings, on an arms length basis during the year as follows:

	<i>Purchases from related party</i>	<i>Amounts owed to related party</i>
	£	£
2020	425,000	-
2021	425,000	-

20. Ultimate parent undertaking and controlling party

The company is wholly owned by Lubbers Transport Group B.V., a company incorporated in the Netherlands. The company's ultimate parent undertaking and controlling party is AAC Capital Benelux Fund III Cooperative W.A. Lubbers Transport Group B.V. is the largest and smallest entity which prepares group financial statements which include the company

Copies of the financial statements of the group are available from the company's registered office.

Klaverakker 2
7761 RA Schoonebeek
Netherlands

21. Financial instruments

	2021	2020
<i>Financial assets measured at cost:</i>		
Trade and other debtors	4,800,420	3,655,997
Amounts owed by group undertakings	-	-
<i>Financial liabilities measured at cost:</i>		
Trade and other creditors	1,647,879	1,204,966
Amounts due to group undertakings (net)	442,867	118,113