

**COMPANIES HOUSE  
EDINBURGH**

**20 DEC 2018**

**FRONT DESK**

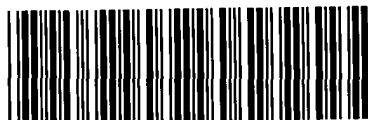
# **React Transport Services Limited**

Registered number: SC178268

## **Filleted Accounts**

**For the year ended 31 March 2018**

THURSDAY



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COMPANIES HOUSE

**REACT TRANSPORT SERVICES LIMITED**

Registered number: SC178268

**BALANCE SHEET****AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	1,363,662	1,394,825
<b>Current assets</b>			
Stocks		5,000	5,000
Debtors: amounts falling due within one year	5	1,223,225	1,303,406
Bank & cash balances		-	18,046
		<u>1,228,225</u>	<u>1,326,452</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	6	(1,849,215)	(2,019,630)
<b>Net current liabilities</b>		<u>(620,990)</u>	<u>(693,178)</u>
<b>Total assets less current liabilities</b>		<u>742,672</u>	<u>701,647</u>
Creditors: amounts falling due after more than one year	7	(415,349)	(462,946)
<b>Net assets</b>		<u><u>327,323</u></u>	<u><u>238,701</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	10,000	10,000
Profit and loss account	10	317,323	228,701
		<u><u>327,323</u></u>	<u><u>238,701</u></u>

# **REACT TRANSPORT SERVICES LIMITED**

Registered number: SC178268

## **BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2018**

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The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

  
Simon Platts (Dec 20, 2018)

**S J C Platts**  
Director

Date: Dec 20, 2018

The notes on pages 3 to 10 form part of these financial statements.

# REACT TRANSPORT SERVICES LIMITED

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

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### 1. General information

React Transport Services Limited is a private company limited by shares, incorporated in Scotland, SC178268. Its registered office address is 11 Nettlehill Road, Houston Industrial Estate, Livingston, West Lothian, EH54 5DL.

The principal activity of the company is the provision of haulage services.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

During the year the company generated a profit of £333,975 (2017 - £331,661) and at the balance sheet date had net current liabilities of £620,990 (2017 - £693,178) and overall net assets of £327,323 (2017 - £238,701).

The company funds its day to day working capital through its trading activities and through existing director's loans.

The financial statements have been prepared on a going concern basis which assumed that the company will continue in operational existence for the foreseeable future.

In the directors' opinion the financial statements should be prepared on a going concern basis.

#### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

##### Rendering of services

Turnover 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 turnover 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.

# REACT TRANSPORT SERVICES LIMITED

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

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	- 10% - 33%
Fixtures & fittings	- 25%

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

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

#### 2.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

#### 2.6 Debtors

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

#### 2.7 Cash and cash equivalents

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

# **REACT TRANSPORT SERVICES LIMITED**

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

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### **2. Accounting policies (continued)**

#### **2.8 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, loans to related parties and investments in non-puttable ordinary shares.

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **2.9 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.

#### **2.10 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.

# REACT TRANSPORT SERVICES LIMITED

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

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### 2. Accounting policies (continued)

#### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### 2.12 Operating leases

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

#### 2.13 Hire purchase agreements

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

#### 2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

#### 2.15 Taxation

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

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

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

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

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

# **REACT TRANSPORT SERVICES LIMITED**

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

### **3. Employees**

The average monthly number of employees, including directors, during the year was 104 (2017 - 104).

### **4. Tangible fixed assets**

	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 April 2017	2,474,159	140,138	2,614,297
Additions	462,925	6,582	469,507
Disposals	(483,971)	(21,002)	(504,973)
At 31 March 2018	2,453,113	125,718	2,578,831
<b>Depreciation</b>			
At 1 April 2017	1,097,713	121,759	1,219,472
Charge for the year	359,889	6,534	366,423
Disposals	(350,844)	(19,882)	(370,726)
At 31 March 2018	1,106,758	108,411	1,215,169
<b>Net book value</b>			
At 31 March 2018	1,346,355	17,307	1,363,662
At 31 March 2017	1,376,446	18,379	1,394,825

### **5. Debtors**

	2018 £	2017 £
Trade debtors	1,060,643	1,211,479
Amounts owed by related undertakings (note 12)	15,361	15,361
Other debtors	21,393	21,393
Prepayments and accrued income	125,828	55,173
	1,223,225	1,303,406

# **REACT TRANSPORT SERVICES LIMITED**

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

### **6. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Bank overdraft	11,040	-
Trade creditors	98,635	193,823
Directors' loan account (note 11)	37,672	55,070
Corporation tax	97,328	106,171
Other taxation and social security	216,069	247,072
Hire purchase contracts (note 8)	295,092	351,301
Other creditors	1,069,629	1,042,143
Accruals and deferred income	23,750	24,050
	<u>1,849,215</u>	<u>2,019,630</u>

Other creditors of £692,953 (2017 - £663,124) are secured by a floating charge over all property and assets present and future, including uncalled capital.

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

	2018 £	2017 £
Hire purchase contracts (note 8)	390,982	417,997
Directors' loan account (note 11)	24,367	44,949
	<u>415,349</u>	<u>462,946</u>

#### **Secured loans**

The hire purchase creditors are secured over the assets to which they relate.

### **8. Hire purchase**

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	295,092	351,301
Between 2-5 years	390,982	390,982
	<u>686,074</u>	<u>742,283</u>

# REACT TRANSPORT SERVICES LIMITED

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

### 9. Share capital

	2018 £	2017 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
9,998 Ordinary shares of £1 each	9,998.00	9,998.00
1 Ordinary B share of £0.50	0.50	0.50
1 Ordinary C share of £0.50	0.50	0.50
1 Ordinary D share of £0.35	0.35	0.35
1 Ordinary E share of £0.35	0.35	0.35
1 Ordinary F share of £0.30	0.30	0.30
	<u>10,000</u>	<u>10,000</u>

The Ordinary shares and the B, C, D, E, F Ordinary Shares shall all rank *pari passu* in all respects.

The Ordinary shares and the B, C, D, E and, F Ordinary shares shall all rank separately with regard to entitlement to dividend such that the Directors may at any time resolve to declare a dividend on one or more class of shares and not on the other class or classes.

### 10. Reserves

#### Profit & loss account

Profit and loss includes all current and prior period retained profits, losses and equity distributions.

### 11. Transactions with directors

As at 31 March 2018, React Transport Services Limited owed S J C Platts and A C Duncan, the directors, £55,881 and £6,158 (2017 - £80,615 and £19,404) respectively.

A C Duncan's loan is unsecured, has no fixed terms of repayment and interest is paid on the balance monthly.

£12,431 (2017 - £17,376) of S J C Platts' loan balance is interest free, unsecured and there and no fixed terms of repayment. The remainder of S J C Platts' loan balance of £43,449 (2017 - £63,239) is repayable over 10 years and bears interest at a commercial rate.

### 12. Related party transactions

As at 31 March 2018, the company was due £15,361 (2017 - £15,361) from React Property Services, a partnership controlled by the directors.

During the year, rent of £5,700 (2017 - £5,700) was paid to React Property Services. All transactions were at normal commercial rates.

During the year, rent of £53,938 (2017 - £60,000) was also paid to a SIPP of which the beneficiaries are the directors of React Transport Services Limited. All transactions were at normal commercial rates.

# **REACT TRANSPORT SERVICES LIMITED**

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

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### **13. Controlling party**

In the directors' opinion the company has no ultimate controlling party.