

Go Plant Fleet Services Ltd
Annual Report and Financial Statements
For the year ended
30 June 2018

Company no 03337954



Go Plant Fleet Services Ltd (Registered number: 03337954)

Annual Report and Financial Statements

for the year ended 30 June 2018

	Page
Officers and professional advisers	1
Strategic report for the year ended 30 June 2018	2
Directors' report for the year ended 30 June 2018	3
Independent auditors' report to the members of Go Plant Fleet Services Limited	6
Profit and loss account for the year ended 30 June 2018	9
Statement of comprehensive income for the year ended 30 June 2018	9
Balance sheet as at 30 June 2018	10
Statement of changes in equity for the year ended 30 June 2018	11
Notes to the Financial Statements for the year ended 30 June 2018	12

Officers and Professional Advisers

Company registration number 03337954

Registered office Jarvis House
157 Sadler Road
Lincoln
LN6 3RS

Directors Al Cope
MR Gallimore
PT Langham
CV McLeod
AJB Young
GK Hale

Bankers Lloyds Bank
1st Floor
Butt Dyke House
33 Park Row
Nottingham
NG1 6GY

Independent Auditors PricewaterhouseCoopers LLP
Central Square
29 Wellington Street
Leeds
LS1 4DL

Strategic Report for the year ended 30 June 2018

The directors present their strategic report for the year ended 30 June 2018.

Principal activities

The company is a leading provider of specialist vehicle contract leasing, fleet management and passenger transport services to the public and private sectors. The market position is underpinned by long term contracts, long standing client relationships and a highly experienced senior management team with extensive knowledge of the fleet and transportation markets. Through a creative approach to fleet management, coupled with a significant infrastructure, the company delivers real cost-saving benefits to its clients, enabling them to focus on their core service provision.

The company provides a comprehensive fleet services offering, unmatched by any of its competition. It offers an attractive "one stop shop" for clients on a national scale, underpinned by a maintenance workshop network.

The company's core service offering is the contract hire of specialist vehicles and LCVs, either with or without maintenance services. The company also offers fully outsourced fleet management, in which the business assumes the day-to-day management and maintenance of a client's fleet.

Business review and future developments

In the year to 30 June 2018 the company achieved a turnover of £31,102,000 (2017: £35,097,000) and a loss on ordinary activities before interest of £1,328,000 (2017: profit of £3,088,000)

During the financial year the company has carried out a very detailed review of its business. This exercise has resulted in significant changes in both management and organisation of the business. A new CEO was appointed in November 2017 and has structured the organisation into five business reporting regions being North West/West Midlands, Eastern, Southern, Special Contracts and Rentals. Each region having a regional contract manager empowered to have autonomy and together with the support of the central functions are able to make commercial decisions when it comes to running their contracts. The drive and the vision of the CEO was instrumental in consolidating and relocating the central functions team from Lincoln to Ibstock.

There has also been a review of the systems used in the business which has led to a systems implementation project. The new system is planned to be operational by the end of September 2019.

The company restructure, onerous contracts and a new systems project has resulted in exceptional non-recurring costs of £2.4m (30 June 2017: £0.7m). See Exception costs note 6.

Revenue has reduced as a number of assets have been off hired from core contracts without replacement.

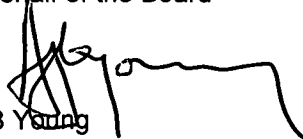
Whilst there have been some contract renewals, there has been no significant new contract business during the financial year. However, that said the rebranding of Go Plant Fleet Services Ltd from Essential Fleet Services Limited has been recognised in the market place and it is this which has led to two significant contract wins post year end. Mobilisation commenced November 2018 for the new contracts to take effect from January 2019.

We continue to bid for longer term self-drive contracts and are pleased with the feedback on our submissions but we continue to bid only on a commercially sensible basis in a very competitive market.

Financial and non-financial key performance indicators (KPIs)

The directors consider fleet size, revenue, profit and cash flow to be the key performance indicators for the company. A number of other indicators are used within the business to manage day to day operations and to manage the risks outlined below. The company also monitors health and safety statistics and investigates any trends arising.

On behalf of the Board



AJB Young
Group Finance Director

22 March 2019

Directors' report for the year ended 30 June 2018

The directors present their report together with the audited financial statements of the company for the year ended 30 June 2018.

Results and dividends

The loss on ordinary activities before tax for the year ended 30 June 2018 amounted to £2,724,000 (year ended 30 June 2017 profit of: £1,945,000).

Financial risk management

The company uses various financial instruments to manage the financial risk in the company. These include loans, cash, trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

Interest rate risk

The company finances its operations through a mixture of retained profits, hire purchase and finance lease agreements and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and profitably. The directors review the company's cash projections on a regular basis to ensure the business has adequate liquidity and working capital.

Credit risk

In order to manage credit risk the operational management set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The company has also insured a proportion of its debts having regard to the concentration of debts with the construction sector.

Directors

The directors who held office during the year were as follows: given below:

Al Cope (appointed 13 July 2017)
A Doherty (resigned 12 March 2018)
MR Gallimore (appointed 7 December 2017)
PT Langham (appointed 7 December 2017)
CV McLeod (appointed 30 November 2017)
CA Reed (appointed 31 July 2017, resigned 1 October 2018)
AJB Young (appointed 1 October 2018)
GK Hale (appointed 8 March 2019)

Directors' and Officers' liability insurance has been maintained throughout the year in respect of the directors by the parent company.

Going concern

Detailed cash flow forecasts are prepared and regularly reviewed by the Board to assess the company's financial position. The business is forecast to remain cash generative and to have adequate resources to meet its future obligations.

The directors have a reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. On these grounds the Board has continued to adopt the going concern basis for the preparation of the financial statements.

Directors' report for the year ended 30 June 2018 (continued)

Future Developments

A review of the business and an indication of likely future developments are included in the strategic report.

Employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. In the event of an employee becoming disabled every effort is made to ensure that their employment with the company continues, that appropriate training is arranged and any reasonable adjustments are made to their working environment.

The company has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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;
- select whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; 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.

The directors 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

Directors' report for the year ended 30 June 2018 (continued)

Statement of disclosure of information to auditors

In the case of each of the persons who are directors at the time when the report is approved under Section 418 of the Companies Act 2006, the following applies:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office, and will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006.

On behalf of the Board,



AJB Young
Group Finance Director

22 March 2019

Independent auditors' report to the members of Go Plant Fleet Services Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Go Plant Fleet Services Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2018; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Independent auditors' report to the members of Go Plant Fleet Services Ltd (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 June 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for 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.

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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' report to the members of Go Plant Fleet Services Ltd (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Tom Yeates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
22 March 2019

Profit and loss account for year ended 30 June 2018

	Note	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Turnover	5	31,102	35,097
Cost of sales		(26,438)	(26,239)
Gross profit		4,664	8,858
Administrative expenses before exceptional costs		(3,544)	(5,113)
Exceptional costs	6	(2,448)	(657)
Total administrative expenses		(5,992)	(5,770)
(Loss)/profit on ordinary activities before interest and tax	7	(1,328)	3,088
Interest receivable and similar income		62	88
Interest payable and similar charges	10	(1,458)	(1,231)
(Loss)/profit on ordinary activities before tax		(2,724)	1,945
Tax on (loss)/profit on ordinary activities	11	(191)	471
(Loss)/profit for the year		(2,915)	2,416

Statement of comprehensive income for the year ended 30 June 2018

	Note	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
(Loss)/profit for the year		(2,915)	2,416
Items that may not subsequently be classified to profit or loss:			
Actuarial gains/(losses) on defined benefit pension schemes	14	934	(172)
Tax on actuarial (gains)/losses on defined benefit pension schemes	22	(159)	31
Other comprehensive income/(expenditure) for the year		775	(141)
Total comprehensive (expense)/income for the year		(2,140)	2,275

All of the activities of the company are classed as continuing for both the current and prior financial years.

The company has no recognised gains or losses other than the results for the financial year as set out above.

There are no material differences between the (loss)/profit on ordinary activities before tax and the (loss)/profit for the financial year as stated above and their historical cost equivalents.

The notes on pages 12 to 33 form part of these financial statements.

Balance sheet as at 30 June 2018

	Note	30 June 2018 £'000	30 June 2017 £'000
Fixed assets			
Intangible assets	12	62	277
Tangible assets	13	38,536	34,101
		38,598	34,378
Retirement benefit surplus	14	3,329	2,393
		41,927	36,771
Current assets			
Stocks	15	356	-
Debtors	16	18,526	12,468
Cash at bank and in hand		194	1,062
		19,076	13,530
Creditors: amounts falling due within one year	17	(33,846)	(24,968)
Net current liabilities		(14,770)	(11,438)
Total assets less current liabilities		27,157	25,333
Creditors: amounts falling due after more than one year	18	(18,087)	(14,837)
Provision for liabilities and charges	21	(1,193)	(479)
Net assets		7,877	10,017
Capital and reserves			
Share capital	24	322	322
Profit and loss account		7,555	9,695
Total shareholders' funds		7,877	10,017

The financial statements on pages 9 to 33 were approved by the Board of directors on 22 March 2019 and signed on its behalf by:


 AJB Young
 Group Finance Director

The accompanying notes form an integral part of these financial statements

Company registration number: 03337954

Statement of changes in equity for the year ended 30 June 2018

	Share capital £'000	Profit & loss account £'000	Total equity £'000
Balance at 1 July 2016	322	7,420	7,742
Profit for the year	-	2,416	2,416
Other comprehensive expense	-	(141)	(141)
Total comprehensive income for the year	-	2,275	2,275
Balance at 30 June 2017	322	9,695	10,017
Loss for the year	-	(2,915)	(2,915)
Other comprehensive income	-	775	775
Total comprehensive expense for the year	-	(2,140)	(2,140)
Balance at 30 June 2018	322	7,555	7,877

Notes to the financial statements for the year ended 30 June 2018**1. General information**

Go Plant Fleet Services Ltd (the company) provides specialised transport solutions to local authorities and corporate companies in the UK. The company is a private company limited by shares and is incorporated in England and Wales. The address of the registered office is Jarvis House, 157 Sadler Road, Lincoln, LN6 3RS.

2. Statement of compliance

The financial statements of Go Plant Fleet Services Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The company has adopted FRS 102 in these financial statements for the first time, see note 29 for further details.

The transition had no impact on the previously reported profit or total equity.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

The company meets its day-to-day working capital requirements through its bank facilities and finances some of its fixed assets under hire purchase and finance lease agreements. The company closely monitors trading conditions in its various business sectors whilst keeping its forecasts and projections under constant review. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

Statement of cash flows

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its parent company, Alpha Topco 1 Limited includes the company's cash flows in its own consolidated financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for the provision of goods and services supplied to customers during the year, exclusive of Value Added Tax.

Notes to the financial statements for the year ended 30 June 2018 (continued)**3. Summary of significant accounting policies (continued)**

Turnover arising from the supply of vehicles, plant and maintenance services is recognised on a weekly basis once the supply of vehicles or maintenance services has been provided to the customer.

Intangible assets*Software*

Software costs associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Software – 3-5 years

Fixed assets

All fixed assets are initially recorded at cost. With the exception of freehold property, tangible fixed assets are then stated at historic purchase cost less accumulated depreciation. Certain freehold properties are stated at cost (or deemed cost held at valuation at the date of transition to FRS 102) (see note 13).

Depreciation

Property, plant and equipment are stated at historic cost to the company, being its purchase cost together with any incidental expenses of acquisition.

Depreciation of property, plant and equipment is calculated so as to write off their cost over their expected economic lives, residual values are reassessed on an annual basis. The principal annual rates of depreciation are as follows:

Freehold land	-	not depreciated
Freehold property	-	4% straight line
Plant and equipment	-	between 20% and 33% straight line
Vehicles leased to customers	-	between 10% and 33% straight line

Residual values on vehicles are subject to a review on an annual basis to identify any potential impairment.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Investments

Investments in subsidiary undertakings are stated at cost less any appropriate provision for impairment.

Notes to the financial statements for the year ended 30 June 2018 (continued)**3. Summary of significant accounting policies (continued)****Stocks**

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks comprise of work in progress for projects undertaken for customers where payment is received on completion. Cost comprises direct materials and where applicable, direct labour costs that have been incurred in bringing the stocks to their present location and condition. The cost of purchase is determined on a first in first out basis.

Hire purchase and finance lease agreements

Assets held under hire purchase and finance lease 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 profit and loss account on a sum of digits basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Retirement benefits

The company contributes to a number of defined contribution pension schemes and a defined benefit pension scheme, the assets of which are held separately from those of the company and are invested in managed funds.

In respect of the defined benefit pension scheme, the cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each reporting date. Hence actuarial gains and losses are recognised in full in the period in which they occur through the statement of comprehensive income. The liability recognised in the statement of financial position is the present value of the defined benefit obligations less the fair value of plan assets. Associated interest credits are included within finance income and charges within finance costs. The current service cost incurred during the period to provide retirement benefits to employees is charged to operating profit. Pension scheme surpluses, to the extent that they are recoverable from future contributions, or deficits are recognised in full and presented on the face of the Statement of Financial Position net of related deferred tax.

In respect of the defined contribution pension schemes, the contributions paid by the company and the employees are invested within the individual funds in the month following the month of deduction. The employer contribution rates are determined by reference to an age, service or grade related scale or are at a fixed, level percentage. The amounts contributed by the company are charged to the income statement as the contributions fall due. Certain contracts require that employees transfer with protected pension rights and the company are responsible for the pension liability that exists.

Tax

UK corporation tax is provided at amounts expected to be paid using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are only recognised when it is considered more likely than not that there will be sufficient taxable profits from which the future reversal of underlying timing differences can be deducted.

Notes to the financial statements for the year ended 30 June 2018 (continued)**3. Summary of significant accounting policies (continued)****Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument those financial instruments are classed as financial liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to profit and loss reserves

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

See note 13 for the carrying amount of the property plant and equipment and note 3 for the useful economic lives for each class of assets.

(ii) *Impairment of debtors*

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of debtors and associated impairment provision.

Notes to the financial statements for the year ended 30 June 2018 (continued)**5. Turnover**

Turnover is attributable to the principle activities of the company which all arise within the United Kingdom as follows:

The following significant categories of revenue were recognised in the year.

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Revenue arising from:		
Contract hire and fleet management services	30,580	34,290
Passenger carrying services	522	807
	31,102	35,097

Notes to the financial statements for the year ended 30 June 2018 (continued)**6. Exceptional costs**

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Restructuring and rebranding costs	840	657
Onerous contract provision	430	-
Depot refurbishment and closure costs	597	-
Intangibles - software impairment	306	-
Customer and supplier settlement costs	275	-
	2,448	657

Restructuring and rebranding costs

Exceptional costs of £840,000 were incurred following the rebrand of the company to Go Plant Fleet Services on 1 December 2017 and consolidating and relocating the central functions team.

Onerous contract provision

The company entered into an IT contract for a product no longer suitable for the wider group. The full contract costs have been expensed as an onerous contract provision.

Depot refurbishment and closure costs

The business has reviewed all of the locations it operates from and found one location which does not meet the operational needs of the business. Reburishment costs of £332,000, incurred in an attempt to make the depot suitable, and closure costs of £265,000 have been expensed.

Intangibles – software impairment

The intangible assets have been impaired by £306,000 in the year following a review of their use in the business. The majority of the impairment relates to the write off of capitalised development costs on a software project that has been ceased.

Customer and supplier settlement costs

Exceptional costs of £275,000 have been paid as goodwill gestures to settle non contractual trading disputes.

Notes to the financial statements for the year ended 30 June 2018 (continued)**7. Operating (loss)/profit**

Operating (loss)/profit is stated after charging/(crediting):

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Depreciation of owned fixed assets (note 13)	1,005	1,293
Depreciation of assets held under hire purchase agreements (note 13)	7,786	7,664
Amortisation of goodwill (note 12)	76	-
Profit on sale of plant and machinery	(480)	(515)
Amounts payable under operating leases:		
- land and buildings	397	381
- plant and machinery	2,420	1,977
Services provided by the company's auditors:		
Fees payable to the company's auditors for the audit of the financial statements	40	40
Fees payable to the company's auditors and its associates for other services:		
Tax	20	20

Notes to the financial statements for the year ended 30 June 2018 (continued)**8. Employees**

The average monthly number of staff employed by the company, including directors, during the financial year amounted to:

	Number of employees	
	Year ended 30 June 2018	Year ended 30 June 2017
Number of production and selling staff	113	113
Number of administration staff	30	44
	143	157

The aggregate payroll costs of the above were:

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Wages and salaries	5,035	5,702
Social security costs	498	604
Pension costs (note 14)	318	288
	5,851	6,594

9. Directors' emoluments

Remuneration in respect of directors was as follows:

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Aggregate emoluments	341	1,036
Compensation for loss of office	388	-
Contribution to money purchase pension schemes	33	28
	762	1,064

Remuneration of the highest paid director

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Aggregate emoluments	96	253
Compensation for loss of office	110	-
Contribution to money purchase pension scheme	12	-
	218	253

Notes to the financial statements for the year ended 30 June 2018 (continued)

10. Interest payable and similar charges

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Finance charges payable under hire purchase agreements	1,232	1,209
Interest payable to group undertakings (note 25)	226	22
	1,458	1,231

Notes to the financial statements for the year ended 30 June 2018 (continued)

11. Tax on profit on ordinary activities

(a) Analysis of tax (credit)/charge in the year:

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
Current tax:		
UK corporation tax on (loss)/profit for the year	-	150
Adjustments in respect of previous periods	9	-
Total current tax	9	150
Deferred tax:		
Origination and reversal of timing differences	170	74
Effect of changes in tax rates	(18)	21
Adjustments in respect of previous periods	30	(716)
Total deferred tax charge/(credit)	182	(621)
Total tax charge/(credit) on ordinary activities	191	(471)

The tax assessed for the year is lower (year ended 30 June 2017: lower) than the standard effective rate of corporation tax in the UK of 20.00% (year ended 30 June 2017: 20.00%). The difference are explained below:

(b) Factors affecting the tax charge:

	Year ended 30 June 2018 £'000	Year ended 30 June 2017 £'000
(Loss)/profit on ordinary activities before tax	(2,724)	1,945
(Loss)/profit on ordinary activities multiplied by the standard rate of tax in the UK of 19.00% (year ended 30 June 2017: 19.74%)	(517)	384
Expenses not deductible for tax purposes	155	17
Tax rate changes	(18)	21
Group relief received for no payment	17	(177)
Deferred tax asset not recognised	515	-
Adjustments in respect of previous periods	39	(716)
Total tax charge/(credit) for the year (note 6(a))	191	(471)

Notes to the financial statements for the year ended 30 June 2018 (continued)

12. Intangible assets

	Software £'000
Cost	
At 1 July 2017	611
Additions	167
At 30 June 2018	778
Accumulated amortisation and impairment	
At 1 July 2017	(334)
Charge for year	(76)
Impairment charge	(306)
At 30 June 2018	(716)
Net book value at 30 June 2018	62
Net book value at 30 June 2017	277

The intangible assets have been impaired by £306,000 in the year following a review of their use in the business. The majority of the impairment relates to the write off of capitalised development costs on a software project that has been ceased. This cost has been identified as exceptional and included in note 6 of the financial statements.

13. Tangible assets

	Freehold land and buildings £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 July 2017	2	76,231	76,233
Additions	-	15,229	15,229
Disposals	-	(9,130)	(9,130)
At 30 June 2018	2	82,330	82,332
Accumulated depreciation			
At 1 July 2017	2	42,130	42,132
Charge for year	-	8,791	8,791
Disposals	-	(7,127)	(7,127)
At 30 June 2018	2	43,794	43,796
Net book value			
At 30 June 2018	-	38,536	38,536
At 30 June 2017	-	34,101	34,101

Included within the net book value of £38,536,000 is £31,529,000 (30 June 2017: £30,528,000) 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 £7,786,000 (year ended 30 June 2017: £7,664,000).

Notes to the financial statements for the year ended 30 June 2018 (continued)**14. Retirement benefits****Defined contribution schemes**

The Company operates defined contribution schemes in the UK. The assets of the schemes are held separately from those of the Company and are invested in managed funds. Contributions during the year amounted to £318,000 (year ended 30 June 2017: £288,000).

The Company is granted Admitted Body status with South Yorkshire Pensions Authority, LGPS Lancashire and Greater Manchester Pension Fund. The Admitted Body status enables ex-Local Authority employees to remain in the Local Authority Pension Schemes, being defined benefit schemes.

The individual schemes are multi-employer and therefore the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis, contributions and obligations are also capped on these schemes. Consequently, the Company accounts for its contributions to the schemes as if they were defined contribution schemes.

Defined benefit pension scheme

The Company operates a defined benefit pension scheme, the TransLinc Pension Scheme (the "TransLinc Scheme"). The assets of the scheme are held separately from those of the Company and are invested in managed funds.

The most recent full triennial valuation of the Scheme was carried out as at 28 February 2017. The on-going valuation assumed in assessing pension costs, that the return on the Scheme's pre-retirement investments would exceed by 1.4% the rate of future expected Retail Prices Index ("RPI") inflation. Future increases in pensions that are due to increase by inflation are capped at a maximum of 5% each year, these were assumed to increase at the rate of 3.10% per annum. The Scheme's assets were lower than the technical provisions at the valuation date. The scheme is currently subject to a triennial valuation.

The pension cost relating to the scheme is assessed in accordance with the advice of a qualified actuary on the basis of valuations at each reporting date using the projected unit costing method. The pension charge for the year was £57,000 (year ended 30 June 2017: £62,000).

Since September 2008 the scheme has been closed to new members. Contributions to the scheme for the year beginning 1 July 2018 are expected to be zero based upon the triennial valuation showing the scheme to be in surplus.

A full actuarial valuation of the scheme was carried out as at 28 February 2017 and has been updated to 30 June 2018 by a qualified independent actuary. The major assumptions used by the actuary were (in nominal terms) as follows:

Notes to the financial statements for the year ended 30 June 2018 (continued)

14. Retirement benefits (continued)

	30 June 2018 %	30 June 2017 %
Discount rate	2.60	2.50
Inflation assumption (RPI)	3.30	3.40
Inflation assumption (CPI)	2.20	2.30
Pension Increases (RPI max 5%)	3.20	3.30
	75% of the maximum tax free cash allowed on current factors	75% of the maximum tax free cash allowed on current factors
Cash commutation		

Assumed life expectancies on retirement at age 65 are:

	30 June 2018	30 June 2017
Males retiring immediately	21.8	21.9
Females retiring immediately	23.7	23.7
Males retiring in 20 years' time	22.8	23.0
Females retiring in 20 years' time	24.9	25.0

The scheme's net pension liabilities and expected rates of return on their investments as at 30 June 2018 and as at 30 June 2017 are as follows:

The assets in the scheme were:

	30 June 2018 Fair Value £'000	30 June 2017 Fair Value £'000
Alternative asset	9,572	10,195
Bond	3,061	3,009
Hedge fund	3,344	3,368
Property	-	39
Cash	685	172
Fair value of Scheme assets at the end of the year	16,662	16,783

The actual return on assets over the period was: 272 1,932

Present value of funder obligations	13,333	14,390
Fair value of scheme assets	16,662	16,783
Surplus in fund scheme	3,329	2,393

Notes to the financial statements for the year ended 30 June 2018 (continued)

14. Retirement benefits (continued)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	30 June 2018 £'000	30 June 2017 £'000
Benefit obligation at beginning of the year	14,390	12,701
Interest cost	356	389
Actuarial (gains)/losses	(1,077)	1,640
Benefits paid	(336)	(340)
Benefit obligation at the end of the year	13,333	14,390

Reconciliation of opening and closing balances of the fair value of Scheme assets

	30 June 2018 £'000	30 June 2017 £'000
Fair value of Scheme assets at the beginning of the year	16,783	15,108
Interest income on Scheme assets	415	464
Return on assets, excluding interest income	(143)	1,468
Contributions by employers	-	145
Benefits paid	(336)	(340)
Scheme administrative cost	(57)	(62)
Fair value of Scheme assets at the end of the year	16,662	16,783

The amounts recognised in profit or loss:

	30 June 2018 £'000	30 June 2017 £'000
Service cost – administrative cost	57	62
Net interest on the net defined benefit surplus	(59)	(75)
Total expense	(2)	(13)

Notes to the financial statements for the year ended 30 June 2018 (continued)

14. Retirement benefits (continued)

Re-measurement of net defined benefit asset to be shown in OCI:

	30 June 2018 £'000	30 June 2017 £'000
Actuarial (gains)/ losses on the liabilities	(1,077)	1,640
Return on assets, excluding interest income	143	(1,468)
Total re-measurement of the net defined benefit asset to be shown in OCI	(934)	172

Estimation of next period's profit or loss

	30 June 2019 £'000
Service cost – administrative cost	57
Net interest on the net defined benefit surplus	(87)
Total expense	(30)

Notes to the financial statements for the year ended 30 June 2018 (continued)

15. Stocks

	30 June 2018 £'000	30 June 2017 £'000
Work in progress	356	-

16. Debtors

	30 June 2018 £'000	30 June 2017 £'000
Trade debtors	3,488	2,597
Amounts owed by group undertakings	12,696	7,738
Corporation tax	6	-
Deferred tax asset (note 22)	132	473
Vehicles subject to repurchase agreements	604	130
Other tax and social security	504	78
Other receivables	-	138
Prepayments	1,096	1,314
	18,526	12,468

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £100,000 (2017: £61,000)

Notes to the financial statements for the year ended 30 June 2018 (continued)**17. Creditors: amounts falling due within one year**

	30 June 2018 £'000	30 June 2017 £'000
Trade creditors	1,316	2,272
Vehicles subject to repurchase agreements	604	130
Amounts owed to group undertakings	5,244	-
Amounts due under hire purchase and finance lease agreements	12,311	12,040
Corporation tax	-	150
Other tax and social security	118	162
Other creditors	267	72
Accruals and deferred income	11,081	10,142
Loan facility	2,905	-
	33,846	24,968

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade and other payables are initially stated at their fair value and subsequently measured at amortised cost. The directors consider that the carrying values of current trade and other payables approximate their fair values.

The loan facility was provided by the ultimate controlling party, Endless IV, a fund managed by Endless LLP which covered legal fees and working capital borne by the company following the acquisition of Go Plant Limited by Alpha Holdco 1 Limited. The loan attracted an interest of 8% and was repaid on 12 July 2018.

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

	30 June 2018 £'000	30 June 2017 £'000
Hire purchase and finance lease agreements	18,087	14,837
	18,087	14,837

Amounts due under hire purchase and finance lease agreements are secured on the assets to which they relate.

Notes to the financial statements for the year ended 30 June 2018 (continued)

19. Loans and other capital

	30 June 2018 £'000	30 June 2017 £'000
Shareholder loan facility (note 17)	2,905	-
Hire purchase and finance lease agreements (note 20)	30,398	26,877
	33,303	26,877

Maturity of bank loans, overdraft, hire purchase and finance lease agreements and related party loans:

In one year or less or on demand	15,216	12,040
In more than one year but not more than two years	6,903	5,223
In more than two years but not more than five years	10,994	8,506
In more than five years	190	1,108
	33,303	26,877

All debts due in more than 5 years are repayable in instalments

20. Commitments under hire purchase agreements

Net minimum lease payments hire purchase agreements are as follows:

	30 June 2018 £'000	30 June 2017 £'000
Amounts payable within 1 year	12,937	13,568
Amounts payable between 1 and 2 years	7,453	5,578
Amounts payable between 2 and 5 years	11,600	8,831
Amounts payable in greater than 5 years	202	1,133
Total gross payments	32,192	29,110
Future finance charges	(1,794)	(2,233)
Carrying amount of liability	30,398	26,877

Notes to the financial statements for the year ended 30 June 2018 (continued)**21. Provisions for liabilities and charges**

	Other provisions	Onerous contracts	Total
	£000	£000	£000
Balance at 1 July 2017	-	479	479
Provided for during the year	540	430	970
Released in the year	(125)	(131)	(256)
Balance at 30 June 2018	415	778	1,193

Other provisions relate to depot closure costs and customer and supplier settlement costs which have been expensed as exceptional costs during the year.

Onerous contracts relate to expected losses on existed customer contracts and an IT contract for a product not suitable for the business needs.

22. Deferred tax

The movement in the deferred taxation asset during the year was:

	30 June 2018 £'000	30 June 2017 £'000
Balance at 1 July 2017	473	(179)
Origination and reversal of timing differences (note 11)	(170)	(74)
Adjustments in respect of previous periods (note 11)	(30)	716
Effect of changes in tax rates (note 11)	18	(21)
Deferred tax (charge)/credit on actuarial gains through other comprehensive income	(159)	31
Balance at 30 June 2018	132	473

The company's provision for deferred tax consists of the tax effect of timing differences in respect of:

	Provided £000	30 June 2018 Unprovided £000	Provided £000	30 June 2017 Unprovided £000
Excess of tax allowances over depreciation on fixed assets	691	-	877	-
Short term timing differences	7	-	3	-
Defined benefit pension scheme	(566)	-	(407)	-
Losses	-	(461)	-	-
Deferred tax asset/(liability) (note 16)	132	(461)	473	-

Notes to the financial statements for the year ended 30 June 2018 (continued)

23. Financial instruments

	30 June 2018 £000	30 June 2017 £000
Financial assets at fair value through profit or loss	-	-
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors (note 16)	3,488	2,597
Vehicles subject to repurchase agreements	604	130
Other receivables	-	138
Amounts owed by group undertakings	12,696	7,738
	16,788	10,603
Financial assets that are equity instruments measured at cost less impairment	-	-
Financial liabilities measured at fair value through profit or loss	-	-
Financial liabilities measured at amortised cost:		
Trade creditors	1,316	2,272
Vehicles subject to repurchase agreements	604	130
Amounts due to group undertaking	5,244	-
Amounts under hire purchase and finance lease agreement	30,398	26,876
Other creditors	682	72
Loan facility	2,905	-
	41,149	29,350

24. Called up share capital

Allotted, called up and fully paid

		30 June 2018		30 June 2017
	Number	£000	Number	£000
Ordinary shares of 25p each	1,288,000	322	1,288,000	322

Notes to the financial statements for the year ended 30 June 2018 (continued)**25. Related party transactions**

The loan facility of £2,905,000 (2017: £nil) included in 'Creditors: amounts falling due within one year' was provided by the ultimate controlling party, Endless IV, a fund managed by Endless LLP which covered legal fees and working capital borne by the company following the acquisition of Go Plant Limited by Alpha Holdco 1 Limited. The loan attracted an interest of 8% and was repaid on 12 July 2018. The interest expensed in the year amounted to £226,000.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

26. Capital and other commitments under operating leases

At 30 June 2018, the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	30 June 2018	30 June 2017
	£000	£000
Operating lease which expire:		
Within 1 year	1,851	569
Within 2 to 5 years	2,030	2,595
After more than 5 years	527	397
	4,408	3,561

Amounts contracted for but not provided in the financial statements amounted to £4,012,000 (30 June 2017 £9,931,000)

27. Immediate parent company and ultimate controlling party

The immediate holding company is Alpha Holdco 1 Limited, a company registered the United Kingdom. The smallest and largest parent undertaking to consolidate these financial statements is Alpha Topco 1 Limited, a company incorporated in the United Kingdom. The consolidated financial statements of Alpha Topco 1 Limited can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

The Directors consider the ultimate controlling party to be Endless IV, a fund managed by Endless LLP.

Notes to the financial statements for the year ended 30 June 2018 (continued)

28. Post balance sheet event

On 21 December 2018 the company acquired some of the business and assets of Gullivers Truck Hire Limited (in administration) for a consideration of £3,978,000, satisfied by back-to-back HP financing.

29. Transition to FRS 102

This is the first year the company has presented its results under FRS 102. The last financial statements for year ended 30 June 2017 were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The date of transition to FRS 102 was 1 July 2016. The transition had no impact on the previously reported profit for the financial period ended 30 June 2017 or total equity as at 1 July 2016 and 30 June 2017.