

**LEYDEN TRANSPORT  
LIMITED**

**FINANCIAL STATEMENTS**

**For the Year ended  
31 MARCH 2010**

TUESDAY



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COMPANIES HOUSE

Company no 597757

**LEYDEN TRANSPORT LIMITED**  
FINANCIAL STATEMENTS

For the year ended 31 MARCH 2010

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Company registration number	597757
Registered office	Lismirrane Industrial Park Elstree Road Elstree Hertfordshire WD6 3EA
Directors	P T McNicholas B S McNicholas A S Kerr
Secretary	A S Kerr
Bankers	Royal Bank of Scotland Silbury House 300 Silbury Boulevard Milton Keynes MK9 2ZF
Auditor	Grant Thornton UK LLP Registered Auditor Chartered Accountants Grant Thornton House Melton Street Euston Square London NW1 2EP

**LEYDEN TRANSPORT LIMITED**  
**FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2010

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The directors present their report together with the audited financial statements for the year ended 31 March 2010

**Principal activity**

The principal activity of the company is the hire, servicing and maintenance of plant and vehicles

**Review of business and future developments**

The company continues to provide support services to the McNicholas Construction group. The prospects for the group are positive.

The directors do not recommend the payment of a dividend.

**Directors**

The directors who served throughout the year are set out below:

P T McNicholas  
B S McNicholas  
A S Kerr

None of the directors had any interest in the share capital of the company. The directors are also directors of the ultimate parent undertaking and their interests in the share capital of that company are disclosed in its financial statements.

**Financial risk management objectives and policies**

The company uses various financial instruments. These include loans from other group undertakings, cash and various items such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks, the principal ones of which are credit risk and liquidity risk.

**Credit risk**

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparty has a high credit rating assigned by international credit rating agencies. The credit risk associated with trade debtors is also limited, since the company only trades with other group undertakings.

However, as a consequence, there is overlap with liquidity risk.

**Liquidity risk**

The company relies solely on other group undertakings as a means of financing the company's operations. As a result the company is at risk with regard to the liquidity of the other group undertakings. Finance for the group is provided by the ultimate parent undertaking. An assessment of the financial risks of the ultimate parent undertaking are to be found in its financial statements.

### **Employees**

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

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue

It is the policy of the company that training, career development and promotion opportunities should be available to all employees

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The directors are responsible for keeping adequate accounting records that 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

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

**Directors and officers liability insurance**

During the year to 31 March 2010 the company effected insurance cover for the directors and officers of the company against any such liabilities as are referred to in 234 of the Companies Act 2006

**Auditors**

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 487 of the Companies Act 2006

BY ORDER OF THE BOARD



A S Kerr  
Secretary  
30 June 2010

Company registration number 597757

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF  
LEYDEN TRANSPORT LIMITED**

We have audited the financial statements of Leyden Transport Limited for the year ended 31 March 2010 which comprise the principal accounting policies, the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of the directors and auditors**

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP)

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended, and
- 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

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Grant Thornton

**REPORT OF THE AUDITOR TO THE MEMBERS OF  
LEYDEN TRANSPORT LIMITED**

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

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

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

Simon Lowe  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Registered Auditors  
Chartered Accountants

LONDON  
30 June 2010



**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom applicable accounting standards

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

These accounts have been prepared on a going concern basis as the principal creditor of the company, McNicholas Construction (Holdings) Limited, has confirmed their willingness to support the company for the foreseeable future

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard 1 from including a cash flow statement on the grounds that the company is a 100% subsidiary of McNicholas Construction (Holdings) Limited, the consolidated accounts of which are available from Companies House

**Turnover**

Turnover is the total amount receivable by the company for services provided, excluding VAT

**Tangible fixed assets and depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are

Plant and equipment - 10% to 20% on cost

**Leased assets**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term

**Stocks**

Stocks are stated at the lower of cost and net realisable value

**Deferred taxation**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date

**Contributions to pension schemes**

**Defined Contribution Scheme**

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period

**Defined Benefit Scheme**

The company is a member of the defined benefit group pension scheme operated by McNicholas Construction (Holdings) Limited. Full details of the scheme are given in the notes to the financial statements of McNicholas Construction (Holdings) Limited

**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. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

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 equity

Where debts are invoice discounted the separate presentation treatment proposed by FRS 5 has been adopted. In accordance with FRS 5 the gross amount of debts due from customers is included within trade debtors with the advances received from the financier shown as a liability

**LEYDEN TRANSPORT LIMITED**  
**PROFIT AND LOSS ACCOUNT**

For the year ended 31 MARCH 2010

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	Note	2010 £	2009 £
Turnover	1	4,793,356	4,847,102
Cost of sales		<u>(4,013,954)</u>	<u>(4,101,213)</u>
Gross profit		779,402	745,889
Administrative expenses		<u>(675,716)</u>	<u>(638,774)</u>
<b>Operating profit</b>	2	<b>103,686</b>	107,115
Interest payable and similar charges	3	<u>(93,819)</u>	<u>(66,049)</u>
<b>Profit on ordinary activities before taxation</b>		<b>9,867</b>	41,066
Tax on profit on ordinary activities	5	<u>122,160</u>	<u>(136,764)</u>
<b>Profit/(loss) on ordinary activities after taxation</b>	12	<u><b>132,027</b></u>	<u>(95,698)</u>

All transactions arise from continuing operations

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

The accompanying accounting policies and notes form an integral part of these financial statements

**LEYDEN TRANSPORT LIMITED**  
**BALANCE SHEET**

At 31 MARCH 2010

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	6	<u>1,590,686</u>	<u>1,653,103</u>
<b>Current assets</b>			
Stocks	7	46,747	58,824
Debtors	8	479,078	445,357
Cash at bank and in hand		<u>12,981</u>	<u>12,273</u>
		<u>538,806</u>	<u>516,454</u>
<b>Creditors amounts falling due within one year</b>	9	<u>(3,916,290)</u>	<u>(3,989,786)</u>
<b>Net current liabilities</b>		<u>(3,377,484)</u>	<u>(3,473,332)</u>
<b>Total assets less current liabilities</b>		<u>(1,786,798)</u>	<u>(1,820,229)</u>
<b>Creditors amounts falling due after more than one year</b>	10	<u>(893,301)</u>	<u>(991,897)</u>
		<u>(2,680,099)</u>	<u>(2,812,126)</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,000	1,000
Profit and loss account	12	<u>(2,681,099)</u>	<u>(2,813,126)</u>
<b>Shareholders' funds</b>	13	<u>(2,680,099)</u>	<u>(2,812,126)</u>

The financial statements were approved by the Board of Directors on 30 June 2010

  
A S Kerr - Director

The accompanying accounting policies and notes form an integral part of these financial statements

**LEYDEN TRANSPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2010

**1 Turnover**

The turnover and profit before taxation are attributable to the one principal activity of the company

**2 Operating profit**

The operating profit on is stated after charging/(crediting)

	2010	2009
	£	£
Hire of plant and vehicles	2,479,518	2,623,769
Depreciation - owned assets	36,360	60,457
Depreciation - leased assets	483,507	311,189
Profit on disposal of fixed assets	<u>(49,012)</u>	<u>(153,377)</u>

Auditors' remuneration is charged through the holding company

**3 Interest payable and similar charges**

	2010	2009
	£	£
Finance charges in respect of hire purchase contracts	<u>93,819</u>	<u>66,049</u>

**4 Directors and employees**

Staff costs during the year were as follows

	2010	2009
	£	£
Wages and salaries	709,267	862,990
Social security costs	65,455	93,730
Pension costs	7,443	13,388
	<u>782,165</u>	<u>970,108</u>

The average number of employees of the company during the year was

	2010	2009
	Number	Number
Production	11	12
Administration	10	16
	<u>21</u>	<u>28</u>

The directors are wholly remunerated by other group companies

**LEYDEN TRANSPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2010

**5 Tax on profit on ordinary activities**

The tax (credit) / charge is based on the profit for the year and represents

	2010	2009
	£	£
Current tax		
United Kingdom corporation tax at 28% (2009 28%)	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(122,160)	113,875
Adjustments in respect of previous periods	-	22,889
Tax on profit on ordinary activities	<u>(122,160)</u>	<u>136,764</u>

The tax assessed for the period is lower (2009 lower) than the standard rate of corporation tax in the United Kingdom 28% (2009 28%). The differences are explained below

Profit on ordinary activities at the standard rate of corporation tax in the United Kingdom of 28% (2009 28%)	2,762	11,498
Effect of		
Expenses not deductible for tax purposes	5,153	4,237
Difference between capital allowances and depreciation	122,160	(113,691)
Utilisation of group relief	(130,075)	98,141
Other short term timing differences	-	(185)
	<u>-</u>	<u>-</u>

The deferred tax asset arises from capital allowances that are anticipated to be recovered in the foreseeable future

**LEYDEN TRANSPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2010

**6 Tangible fixed assets**

	Plant and equipment £
<b>Cost</b>	
At 1 April 2009	4,637,506
Additions	491,014
Disposals	<u>(1,349,735)</u>
At 31 March 2010	<u>3,778,785</u>
<b>Depreciation</b>	
At 1 April 2009	2,984,403
Provided in the year	519,867
Disposals	<u>(1,316,171)</u>
At 31 March 2010	<u>2,188,099</u>
Net book amount at 31 March 2010	<u>1,590,686</u>
Net book amount at 31 March 2009	<u>1,653,103</u>

The net book value of tangible fixed assets included above held under finance leases or hire purchase contracts amounted to £1,467,103 (2009 £1,549,195) Total depreciation allocated to these assets during the year was £483,507 (2009 £311,189)

**7 Stocks**

	2010 £	2009 £
Raw materials and consumables	<u>46,747</u>	<u>58,824</u>

**8 Debtors**

	2010 £	2009 £
Trade debtors	3,698	30,355
Deferred tax	359,239	237,079
Other taxation	116,141	133,640
Other debtors	-	44,283
	<u>479,078</u>	<u>445,357</u>

**LEYDEN TRANSPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2010

**9 Creditors: amounts falling due within one year**

	2010	2009
	£	£
Trade creditors	472,127	399,848
Amounts owed to group undertakings	2,678,809	2,805,137
Other taxation and social security	18,632	28,823
Other creditors	12,260	21,585
Accruals and deferred income	274,604	279,420
Obligations under finance leases and hire purchase contracts	459,858	454,973
	<u>3,916,290</u>	<u>3,989,786</u>

**10 Creditors: amounts falling due after more than one year**

	2010	2009
	£	£
Amounts due under finance leases		
After one and within two years	281,442	393,485
After two and within five years	586,468	598,412
After five years	25,391	-
	<u>893,301</u>	<u>991,897</u>

**11 Share capital**

	2010	2009
	£	£
Authorised, allotted and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**12 Reserves**

	Profit and loss account £
At 1 April 2009	(2,813,126)
Profit for the year	<u>132,027</u>
At 31 March 2010	<u>(2,681,099)</u>



**13 Reconciliation of movements in shareholders' funds**

	2010	2009
	£	£
Profit/(loss) for the financial year	132,027	(95,698)
Opening shareholders' funds	<u>(2,812,126)</u>	<u>(2,716,428)</u>
Closing shareholders' funds	<u><u>(2,680,099)</u></u>	<u><u>(2,812,126)</u></u>

**14 Capital commitments**

The company had capital commitments at 31 March 2010 amounting to £nil (2009 £260,674)

**15 Contingent liabilities**

The company had an unlimited cross guarantee in respect of group bank borrowings. At 31 March 2010 this amounted to £nil (2009 £nil)

**16 Pensions**

Contributions to the defined contribution group pension scheme are charged to the profit and loss account as incurred

The total pension cost for the company in the year ended 31 March 2010 was £7,443 (2009 £13,388)

**17 Leasing commitments**

Operating lease payments amounting to £387,686 (2009 £321,325) are due within one year. The leases to which these amounts relate expire as follows

	2010	2009
	£	£
In one year or less	497	3,885
Between one and five years	<u>387,189</u>	<u>317,440</u>

**18 Related party transactions**

As a wholly owned subsidiary of McNicholas Construction (Holdings) Limited, the company is exempt from the requirements of Financial Reporting Standard No 8 to disclose transactions with other wholly owned members of the group headed by McNicholas Construction (Holdings) Limited

**19 Ultimate parent undertaking**

The ultimate parent undertaking of this company is McNicholas Construction (Holdings) Limited, incorporated in England and Wales. It is situated at Lismirrane Industrial Park, Elstree Road, Elstree, Hertfordshire and its financial statements are available from Companies House.

The largest and smallest group of undertaking for which group accounts have been drawn up is that headed by McNicholas Construction (Holdings) Limited.