

Company Registration No. 04552959 (England and Wales)

# **FRANCIS TRANSPORT (NORTHWICH) LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

**PAGES FOR FILING WITH REGISTRAR**



**FRANCIS TRANSPORT (NORTHWICH) LIMITED**

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**FRANCIS TRANSPORT (NORTHWICH) LIMITED****BALANCE SHEET****AS AT 31 MARCH 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		1,234,642		1,064,985
<b>Current assets</b>					
Stocks		4,147		18,547	
Debtors	4	2,409,263		1,761,768	
Cash at bank and in hand		276,016		212,393	
		<u>2,689,426</u>		<u>1,992,708</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(2,130,826)</u>		<u>(1,623,933)</u>	
<b>Net current assets</b>			<u>558,600</u>		<u>368,775</u>
<b>Total assets less current liabilities</b>			<u>1,793,242</u>		<u>1,433,760</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(653,226)		(411,463)
<b>Provisions for liabilities</b>			<u>(73,361)</u>		<u>(65,199)</u>
<b>Net assets</b>			<u><u>1,066,655</u></u>		<u><u>957,098</u></u>
<b>Capital and reserves</b>					
Called up share capital	7		10,000		10,000
Profit and loss reserves			<u>1,056,655</u>		<u>947,098</u>
<b>Total equity</b>			<u><u>1,066,655</u></u>		<u><u>957,098</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**FRANCIS TRANSPORT (NORTHWICH) LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2020**

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The financial statements were approved by the board of directors and authorised for issue on 23 December 2020 and are signed on its behalf by:

**Mr C Parkinson**  
**Director**

**Mr S R Sugden**  
**Director**

**Company Registration No. 04552959**

## FRANCIS TRANSPORT (NORTHWICH) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

##### Company information

Francis Transport (Northwich) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Griffiths Road, Lostock Gralam, Northwich, CW9 7NU.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The Covid-19 pandemic is having a significant impact on a large number of businesses.

Management are continuously assessing the impact of the coronavirus on the market, supply chain and employees and are considering the flexibility the company requires to both prepare and react to the ever-changing unprecedented circumstances.

The directors have performed a sensitivity analysis and are comfortable, that with the government support packages available, the company could deal with a reduction in sales in the short to medium term and therefore meet the company's outgoings for the foreseeable future.

After considering the impact of the above, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

##### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% on reducing balance
Motor vehicles	33% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**FRANCIS TRANSPORT (NORTHWICH) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020**

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**1 Accounting policies****(Continued)****1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**1.7 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

## FRANCIS TRANSPORT (NORTHWICH) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### **Classification of financial liabilities**

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 company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**FRANCIS TRANSPORT (NORTHWICH) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

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**1 Accounting policies**

**(Continued)**

**1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.13 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 54 (2019 - 43).



**FRANCIS TRANSPORT (NORTHWICH) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****3 Tangible fixed assets**

	<b>Plant and machinery etc £</b>
<b>Cost</b>	
At 1 April 2019	3,019,439
Additions	613,491
Disposals	(66,000)
At 31 March 2020	<u>3,566,930</u>
<b>Depreciation and impairment</b>	
At 1 April 2019	1,954,454
Depreciation charged in the year	435,146
Eliminated in respect of disposals	(57,312)
At 31 March 2020	<u>2,332,288</u>
<b>Carrying amount</b>	
At 31 March 2020	<u>1,234,642</u>
At 31 March 2019	<u>1,064,985</u>

**4 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	1,490,951	832,722
Amounts owed by group undertakings	803,901	803,901
Other debtors	114,411	125,145
	<u>2,409,263</u>	<u>1,761,768</u>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	49,992	25,012
Trade creditors	691,920	485,673
Taxation and social security	184,187	151,446
Other creditors	1,204,727	961,802
	<u>2,130,826</u>	<u>1,623,933</u>

Included within creditors due less than one year are amounts secured by the company, totalling £1,065,646 (2019: £820,128).

**FRANCIS TRANSPORT (NORTHWICH) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****6 Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	£	£
Bank loans and overdrafts	33,360	-
Other creditors	619,866	411,463
	<u>653,226</u>	<u>411,463</u>

Included within creditors due greater than one year are amounts secured by the company, totalling £653,226 (2019: £411,463).

**7 Called up share capital**

	<b>2020</b>	<b>2019</b>
	£	£
<b>Ordinary share capital Issued and fully paid</b>		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

**8 Financial commitments, guarantees and contingent liabilities**

The company has entered into a cross company guarantee covering certain debts of its parent company, HPH Transport Holdings Limited.

There is no contingent liability at the period end.

**9 Operating lease commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<b>2020</b>	<b>2019</b>
	£	£
	332,478	567,168
	<u>332,478</u>	<u>567,168</u>

**10 Directors' transactions**

At the prior year end there was an amount due from the director of £10,000. This balance was repaid in full during the year.

