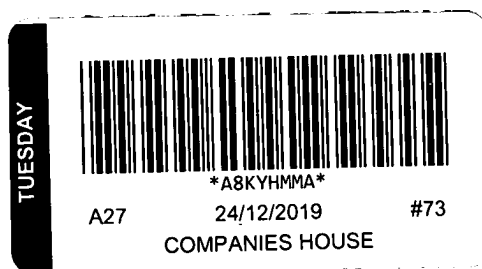


Company registration number: 01041114

**D. Wardle (Plant) Ltd**

**Financial statements**

**31 March 2019**



**D. Wardle (Plant) Ltd**  
**Year ended 31st March 2019**

**Contents**

	<b>Page</b>
Directors and other information	<b>1</b>
Strategic report	<b>2</b>
Directors report	<b>3 - 4</b>
Independent auditor's report to the members	<b>5 - 7</b>
Statement of comprehensive income	<b>8</b>
Statement of financial position	<b>9 - 10</b>
Statement of changes in equity	<b>11</b>
Statement of cash flows	<b>12</b>
Notes to the financial statements	<b>13 - 25</b>

**D. Wardle (Plant) Ltd**  
**Year ended 31st March 2019**

**Directors and other information**

<b>Directors</b>	Mr D. Wardle Mr S. Wardle Mr A. Wardle
<b>Secretary</b>	Mr A. Wardle
<b>Company number</b>	01041114
<b>Registered office</b>	Priory Works Barley Castle Lane Appleton Warrington WA4 4RE
<b>Business address</b>	Priory Works Barley Castle Lane Appleton Warrington WA4 4RE
<b>Auditor</b>	Mark Haslam Sons & Co. 17 Wood Street Bolton BL1 1EB
<b>Bankers</b>	Yorkshire Bank 38 Bridge Street Chester CH1 1NE  Nat West 117 Main Street Frodsham Cheshire WA6 7AF

**D. Wardle (Plant) Ltd**

**Strategic report  
Year ended 31st March 2019**

**Review of the business and future developments**

The principal activity of the company is the provision of earthmoving and materials handling solutions to the quarrying, construction and recycling industries.

The company operates from its headquarters in Appleton, Cheshire. Its main services include: Earthmoving contracts, rock hauling, general earthmoving plant and loader hire (operated or self drive) and long term contract hire. A full description of the services provided by the company and details of the company's health and safety, environment and quality policies can be found at [www.dwardleplant.co.uk](http://www.dwardleplant.co.uk).

Demand for the company's products slowed compared to the prior year but utilisation rates remained acceptable across the product range. Turnover decreased by 10% (2018 2% increase) to £16,809,018 (2018 £18,698,261) whilst gross profit margin increased by 3%. Return on capital employed was maintained at 8% but liquidity ratios increased from 1.1 to 1.3.

This year the company invested a further £5.6 million (2018 £5.7m) in new equipment. This continued investment in plant and machinery means the company is well placed to take advantage of future growth opportunities.

**Principal risks and uncertainties**

The company primarily trades within the United Kingdom and as a result does not have any direct risks associated with fluctuations in foreign exchange rates. However, the company is exposed to the risk of a downturn in the UK economy and this has been factored into the projections used to evaluate the going concern of the company.

This report was approved by the board of directors on 16/12/19 and signed on behalf of the board by:



Mr A. Wardle  
Secretary

## **D. Wardle (Plant) Ltd**

### **Directors report Year ended 31st March 2019**

The directors present their report and the financial statements of the company for the year ended 31st March 2019.

#### **Directors**

The directors who served the company during the year were as follows:

Mr D. Wardle  
Mr S. Wardle  
Mr A. Wardle

#### **Dividends**

Particulars of recommended dividends are detailed in note 12 to the financial statements.

#### **Financial instruments**

The company has entered into 'basic' financial transactions which result in the recognition of financial assets and liabilities such as trade debtors, trade creditors, cash/bank balances and loans. No 'complex' financial instruments have been utilised.

#### **Disclosure of information in the strategic report.**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the company has chosen to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations

#### **Directors responsibilities statement**

The directors are responsible for preparing the strategic report, directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

A resolution to reappoint Mark Haslam Sons & Co. as auditor will be proposed at the forthcoming Annual General Meeting.

**D. Wardle (Plant) Ltd**

**Directors report (continued)**  
**Year ended 31st March 2019**

This report was approved by the board of directors on .....*16/12/19*..... and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal stroke.

.....  
Mr A. Wardle  
Secretary

**D. Wardle (Plant) Ltd**

**Independent auditor's report to the members of  
D. Wardle (Plant) Ltd  
Year ended 31st March 2019**

**Opinion**

We have audited the financial statements of D. Wardle (Plant) Ltd (the 'company') for the year ended 31st March 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

**Other Information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

## **D. Wardle (Plant) Ltd**

### **Independent auditor's report to the members of D. Wardle (Plant) Ltd (continued) Year ended 31st March 2019**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

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

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

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 the 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



**D. Wardle (Plant) Ltd**

**Independent auditor's report to the members of  
D. Wardle (Plant) Ltd (continued)  
Year ended 31st March 2019**

- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.



Christina Haslam FCA (Senior Statutory Auditor)

For and on behalf of  
Mark Haslam Sons & Co.  
Chartered Accountant and Statutory Auditor  
17 Wood Street  
Bolton  
BL1 1EB

*20/12/2019*

**D. Wardle (Plant) Ltd**

**Statement of comprehensive income  
Year ended 31st March 2019**

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	16,809,018	18,698,261
Cost of sales		(12,450,677)	(14,353,456)
<b>Gross profit</b>		4,358,341	4,344,805
Administrative expenses		(2,376,381)	(2,694,979)
Other operating income	<b>5</b>	135,185	127,014
<b>Operating profit</b>	<b>6</b>	2,117,145	1,776,840
Other interest receivable and similar income	<b>9</b>	15,617	1,779
Interest payable and similar expenses	<b>10</b>	(276,672)	(276,461)
<b>Profit before taxation</b>		1,856,090	1,502,158
Tax on profit	<b>11</b>	(390,667)	(286,010)
<b>Profit for the financial year</b>		1,465,423	1,216,148
Revaluation of property		280,000	-
Depreciation written back on property revaluation		40,945	-
Deferred tax on revaluation of property		(53,200)	-
<b>Other comprehensive income for the year</b>		267,745	-
<b>Total comprehensive income for the year</b>		1,733,168	1,216,148

All the activities of the company are from continuing operations.

The notes on pages 13 to 25 form part of these financial statements.

**D. Wardle (Plant) Ltd**

**Statement of financial position  
31st March 2019**

	Note	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	13	21,526,385		21,990,620	
			21,526,385		21,990,620
<b>Current assets</b>					
Stocks	14	15,605		29,247	
Debtors	15	3,795,329		5,107,414	
Cash at bank and in hand		4,740,110		1,575,163	
		8,551,044		6,711,824	
<b>Creditors: amounts falling due within one year</b>	16	(6,357,774)		(6,166,085)	
<b>Net current assets</b>			2,193,270		545,739
<b>Total assets less current liabilities</b>			23,719,655		22,536,359
<b>Creditors: amounts falling due after more than one year</b>	17		(6,550,190)		(7,346,805)
<b>Provisions for liabilities</b>	19		(1,075,522)		(820,779)
<b>Net assets</b>			16,093,943		14,368,775
<b>Capital and reserves</b>					
Called up share capital	24		45,000		45,000
Share premium account	25		47,371		47,371
Revaluation reserve	25		754,580		494,009
Capital redemption reserve	25		45,000		45,000
Profit and loss account	25		15,201,992		13,737,395
<b>Shareholders funds</b>			16,093,943		14,368,775

The notes on pages 13 to 25 form part of these financial statements.

**D. Wardle (Plant) Ltd**

**Statement of financial position (continued)**  
**31st March 2019**

These financial statements were approved by the board of directors and authorised for issue on .....16/12/19....., and are signed on behalf of the board by:

Mr S. Wardle  
Director



Mr A. Wardle  
Director



Company registration number: 01041114

**The notes on pages 13 to 25 form part of these financial statements.**

**D. Wardle (Plant) Ltd**

**Statement of changes in equity  
Year ended 31st March 2019**

	Called up share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss account	Total
	£	£	£	£	£	£
<b>At 1st April 2017</b>	45,000	47,371	497,450	45,000	12,537,806	13,172,627
Profit for the year	-	-	-	-	1,216,148	1,216,148
Other comprehensive income for the year:						
Reclassification from revaluation reserve to profit and loss account	-	-	(3,441)	-	3,441	-
<b>Total comprehensive income for the year</b>	-	-	(3,441)	-	1,219,589	1,216,148
Dividends paid and payable	-	-	-	-	(20,000)	(20,000)
<b>Total investments by and distributions to owners</b>	-	-	-	-	(20,000)	(20,000)
<b>At 31st March 2018 and 1st April 2018</b>	45,000	47,371	494,009	45,000	13,737,395	14,368,775
Profit for the year	-	-	-	-	1,465,423	1,465,423
Other comprehensive income for the year:						
Revaluation of property	-	-	280,000	-	-	280,000
Reclassification from revaluation reserve to profit and loss account	-	-	(7,174)	-	7,174	-
Depreciation written back on property revaluation	-	-	40,945	-	-	40,945
Deferred tax on revaluation of property	-	-	(53,200)	-	-	(53,200)
<b>Total comprehensive income for the year</b>	-	-	260,571	-	1,472,597	1,733,168
Dividends paid and payable	-	-	-	-	(8,000)	(8,000)
<b>Total investments by and distributions to owners</b>	-	-	-	-	(8,000)	(8,000)
<b>At 31st March 2019</b>	45,000	47,371	754,580	45,000	15,201,992	16,093,943

**D. Wardle (Plant) Ltd**

**Statement of cash flows**  
**Year ended 31st March 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,465,423	1,216,148
<i>Adjustments for:</i>		
Depreciation of tangible assets	4,271,502	4,262,745
Fair value adjustment of investment property	(325,000)	-
Other interest receivable and similar income	(15,617)	(1,779)
Interest payable and similar expenses	276,672	276,461
Gain on disposal of tangible assets	(1,013,881)	(147,639)
Tax on profit	390,667	286,010
(Decrease)/increase in accrued expenses/deferred income	(91,840)	21,220
<i>Changes in:</i>		
Stocks	13,642	(10,223)
Trade and other debtors	1,312,085	(658,819)
Trade and other creditors	22,126	(2,095,630)
Cash generated from operations	6,305,779	3,148,494
Interest paid	(276,672)	(276,461)
Interest received	15,617	1,779
Tax paid	(363,852)	(721,812)
Net cash from operating activities	<u>5,680,872</u>	<u>2,152,000</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(1,967,768)	(885,916)
Proceeds from sale of tangible assets	3,454,243	1,195,150
Cash advances and loans granted	-	2,319,300
Net cash from investing activities	<u>1,486,475</u>	<u>2,628,534</u>
<b>Cash flows from financing activities</b>		
Payment of finance lease liabilities	(4,350,566)	(5,059,150)
Equity dividends paid	(8,000)	(20,000)
Other long term loans	356,166	48,918
Net cash used in financing activities	<u>(4,002,400)</u>	<u>(5,030,232)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	3,164,947	(249,698)
<b>Cash and cash equivalents at beginning of year</b>	1,575,163	1,824,861
<b>Cash and cash equivalents at end of year</b>	<u>4,740,110</u>	<u>1,575,163</u>

## **D. Wardle (Plant) Ltd**

### **Notes to the financial statements Year ended 31st March 2019**

#### **1. General information**

The company is a private company limited by shares, registered in England. The address of the registered office is Priory Works, Barley Castle Lane, Appleton, Warrington, WA4 4RE.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgments, estimates and assumptions that management has made in the process of applying the entity's accounting policies and which have the most significant effect on the amounts recognised in the financial statements relate to property valuations and depreciation of plant & machinery.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of discounts and Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

##### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured as the amount of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

## **D. Wardle (Plant) Ltd**

### **Notes to the financial statements (continued) Year ended 31st March 2019**

#### **Tangible assets**

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

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

Freehold buildings	- 4%	straight line
Plant and machinery	- 20%	reducing balance
Fittings fixtures and equipment	- 20%	reducing balance
Motor vehicles	- 25%	reducing balance
Land	-	Not depreciated

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Investment property**

Investment property, being property held to earn rentals or for capital appreciation or both, is measured initially at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued externally every five years and internally annually to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### **Stocks**

Stocks of consumables are measured at the lower of cost and estimated resale price.

#### **Hire purchase and finance leases**

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.



## **D. Wardle (Plant) Ltd**

### **Notes to the financial statements (continued)** **Year ended 31st March 2019**

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which they become receivable.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

#### **4. Turnover**

Turnover arises from:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Rendering of services	<u>16,809,018</u>	<u>18,698,261</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**5. Other operating income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Rental income	120,445	108,256
Government grant income	14,740	18,758
	<u>135,185</u>	<u>127,014</u>

**6. Operating profit**

Operating profit is stated after charging/(crediting):

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible assets	4,271,502	4,262,745
(Gain) on disposal of tangible assets	(1,013,881)	(147,639)
Fair value adjustments to investment property	(325,000)	-
Operating lease rentals	10,340	12,336
Fees payable for the audit of the financial statements	5,980	5,920
	<u>5,980</u>	<u>5,920</u>

**7. Staff costs**

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

	<b>2019</b>	<b>2018</b>
Sales & Management (Including directors)	12	11
Administration	8	8
Operators/Workshop	73	76
	<u>93</u>	<u>95</u>

The aggregate payroll costs incurred during the year were:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,645,832	4,597,044
Social security costs	492,669	489,353
Other pension costs	55,674	38,659
	<u>5,194,175</u>	<u>5,125,056</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**8. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remuneration	<u>1,165,651</u>	<u>1,141,666</u>

The number of directors who accrued benefits under company pension plans was as follows:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Defined contribution plans	<u>2</u>	<u>2</u>

Remuneration of the highest paid directors in respect of qualifying services:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Aggregate remuneration	396,314	477,568
Company contributions to pension plans in respect of qualifying services	-	-
	<u>396,314</u>	<u>477,568</u>

**9. Other interest receivable and similar income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank deposits	15,120	1,779
Other interest receivable and similar income	497	-
	<u>15,617</u>	<u>1,779</u>

**10. Interest payable and similar expenses**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other loans made to the company:		
Finance leases and hire purchase contracts	216,067	214,679
Other interest payable and similar expenses	60,605	61,782
	<u>276,672</u>	<u>276,461</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**11. Tax on profit**

**Major components of tax expense**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	189,124	324,541
	<u>          </u>	<u>          </u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	201,543	(38,531)
	<u>          </u>	<u>          </u>
<b>Tax on profit</b>	<u>390,667</u>	<u>286,010</u>

**Tax recognised as other comprehensive income or equity**

The aggregate current and deferred tax relating to items recognised as other comprehensive income or equity for the year was £ 53,200 (2018: £ - ).

**Reconciliation of tax expense**

The tax assessed on the profit for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%).

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Profit before taxation	1,856,090	1,502,158
	<u>          </u>	<u>          </u>
Profit multiplied by rate of tax	352,657	285,410
Effect of expenses not deductible for tax purposes	4,151	3,548
Effect of capital allowances and depreciation	(105,934)	35,583
Deferred tax	201,543	(38,531)
Investment property fair value adjustment	(61,750)	-
	<u>          </u>	<u>          </u>
<b>Tax on profit</b>	<u>390,667</u>	<u>286,010</u>

**12. Dividends**

**Equity dividends**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	8,000	20,000
	<u>          </u>	<u>          </u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**13. Tangible assets**

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1st April 2018	1,705,000	36,943,474	58,815	108,691	38,815,980
Additions	-	5,462,157	-	139,527	5,601,684
Disposals	-	(6,612,642)	-	-	(6,612,642)
Revaluation	605,000	-	-	-	605,000
<b>At 31st March 2019</b>	<u>2,310,000</u>	<u>35,792,989</u>	<u>58,815</u>	<u>248,218</u>	<u>38,410,022</u>
<b>Depreciation</b>					
At 1st April 2018	40,945	16,666,108	52,053	66,254	16,825,360
Charge for the year	11,333	4,241,103	1,352	17,714	4,271,502
Disposals	-	(4,172,280)	-	-	(4,172,280)
Revaluations	(40,945)	-	-	-	(40,945)
<b>At 31st March 2019</b>	<u>11,333</u>	<u>16,734,931</u>	<u>53,405</u>	<u>83,968</u>	<u>16,883,637</u>
<b>Carrying amount</b>					
<b>At 31st March 2019</b>	<u>2,298,667</u>	<u>19,058,058</u>	<u>5,410</u>	<u>164,250</u>	<u>21,526,385</u>
At 31st March 2018	<u>1,664,055</u>	<u>20,277,366</u>	<u>6,762</u>	<u>42,437</u>	<u>21,990,620</u>

**Investment property**

Included within the above is investment property as follows:

	£
At 1 April 2018	1,135,000
Fair value adjustments	325,000
<b>At 31 March 2019</b>	<u>1,460,000</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**Tangible assets held at valuation**

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property	Investment property	Total
	£	£	£
<b>At 31st March 2019</b>			
Aggregate cost	132,920	151,297	284,217
Aggregate depreciation	(102,033)	-	(102,033)
<b>Carrying amount</b>	<u>30,887</u>	<u>151,297</u>	<u>182,184</u>
<b>At 31st March 2018</b>			
Aggregate cost	132,920	151,297	284,217
Aggregate depreciation	(97,874)	-	(97,874)
<b>Carrying amount</b>	<u>35,046</u>	<u>151,297</u>	<u>186,343</u>

TFC Commercial Property Advisers, acting as external independent valuers valued the company's freehold land and buildings (including investment property) as at 21/03/2019 at Market Value.

TFC are RICS registered valuers. The valuations were carried out in accordance with the Practice Statements and Guidance Notes set out in the Royal Institution of Chartered Surveyors Valuation - Professional Standards (the 'Red Book') January 2014 (revised April 2015) providing an appraisal of property for an opinion of Market Value. In their report, TFC state that they consider that the aggregate current Market Value of the freehold interests in the land and buildings owned by the company total £2,310,000 (2018 £1,705,000). Of this, £1,460,000 (2018 £1,135,000) relates to investment properties held.

The company directors are of the opinion that the valuations carried out on 21/03/2019 by TFC give a fair reflection of the valuation of the company's properties as at 31/03/2019.

**Obligations under finance leases**

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery
	£
<b>At 31st March 2019</b>	<u>11,925,853</u>
<b>At 31st March 2018</b>	<u>13,057,847</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**14. Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Stock - consumables	<u>15,605</u>	<u>29,247</u>

**15. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,545,970	4,929,337
Prepayments	167,327	175,275
Other debtors	<u>82,032</u>	<u>2,802</u>
	<u>3,795,329</u>	<u>5,107,414</u>

**16. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	917,566	888,473
Accruals and deferred income	837,506	929,346
Corporation tax	(87,526)	87,202
Social security and other taxes	421,752	429,532
Obligations under finance leases	4,221,800	3,785,669
Other creditors	<u>46,676</u>	<u>45,863</u>
	<u>6,357,774</u>	<u>6,166,085</u>

**17. Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Obligations under finance leases	4,682,321	5,835,102
Director loan accounts	<u>1,867,869</u>	<u>1,511,703</u>
	<u>6,550,190</u>	<u>7,346,805</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**18. Obligations under finance leases**

**Company lessee**

The total future minimum lease payments under finance lease agreements are as follows:

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Not later than 1 year	4,221,800	3,785,669
Later than 1 year and not later than 5 years	4,682,321	5,835,102
	<u>8,904,121</u>	<u>9,620,771</u>
Present value of minimum lease payments	<u>8,904,121</u>	<u>9,620,771</u>

Obligations under hire purchase/finance lease agreements are secured by related leased assets.

**19. Provisions**

	Deferred tax (note 20)	Total
	<b>£</b>	<b>£</b>
At 1st April 2018	820,779	820,779
Additions	254,743	254,743
<b>At 31st March 2019</b>	<u>1,075,522</u>	<u>1,075,522</u>

**20. Deferred tax**

The deferred tax included in the statement of financial position is as follows:

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Included in provisions (note 19)	<u>1,075,522</u>	<u>820,779</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Accelerated capital allowances	775,198	635,405
Revaluation of tangible assets	102,711	49,511
Fair value adjustment of investment property	197,613	135,863
	<u>1,075,522</u>	<u>820,779</u>

**21. Employee benefits**

The amount recognised in profit or loss in relation to defined contribution plans was £55,674 (2018: £38,659).



**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**22. Government grants**

The amounts recognised in the financial statements for government grants are as follows:

	<b>2019</b>	2018
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	<u>14,740</u>	<u>18,758</u>

**23. Financial instruments**

The carrying amount for each category of financial instrument is as follows:

	<b>2019</b>	2018
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	3,545,970	4,929,337
Other debtors	82,032	2,802
Cash at bank and in hand	4,740,110	1,575,163
	<u>8,368,112</u>	<u>6,507,302</u>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	917,566	888,473
Hire purchase agreements	8,904,121	9,620,771
Director loan accounts	1,867,869	1,511,703
Other creditors	46,676	45,863
	<u>11,736,232</u>	<u>12,066,810</u>

**24. Called up share capital**  
**Issued, called up and fully paid**

	<b>2019</b>		<b>2018</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares shares of £ 1.00 each	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**25. Reserves**

**Share premium account:**

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

**Revaluation reserve:**

This reserve records the value of asset revaluations (excluding investment properties) and fair value movements on assets recognised in other comprehensive income.

**Capital redemption reserve:**

This reserve records the nominal value of shares repurchased by the company.

**Profit and loss account:**

This reserve records retained earnings, accumulated losses and investment property revaluation gains or losses.

**26. Operating leases**

**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	6,934	5,140
Later than 1 year and not later than 5 years	8,667	-
	<u>15,601</u>	<u>5,140</u>

**D. Wardle (Plant) Ltd**

**Notes to the financial statements (continued)**  
**Year ended 31st March 2019**

**27. Directors advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

<b>2019</b>			
	Balance brought forward £	Advances /(credits) to the directors £	Balance o/standing £
Messrs D, S & A Wardle	(1,511,703)	(356,166)	(1,867,869)
<b>2018</b>			
	Balance brought forward £	Advances /(credits) to the directors £	Balance o/standing £
Messrs D, S & A Wardle	(1,462,785)	(48,918)	(1,511,703)

The directors' loan includes a loan from Mr D. Wardle amounting to £1,603,594 (2018 £1,448,838). £1m of this loan is secured by way of a charge over property owned by the company. The balance of the loan is unsecured.

Loans from directors are repayable within 13 months of demand by a director. Interest is payable at 0.75% above bank base rate subject to a minimum of 3.75%.

During the year the company made interest payments amounting to £60,605 (2018 £56,884) to the company directors in respect these loans.

**28. Controlling party**

Any two directors hold a majority of the company's share capital and jointly have ultimate control of the company.