

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	Road Haulage Association Limited				
Year ended:	31 December 2019				
List No:	00391886				
Head or Main Office:	Roadway House				
	Bretton Way				
	Bretton				
	Peterborough				
Postcode	PE3 8DD				
Website address (if available)	www.rha.uk.net				
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	CR Secretaries Limited				
Contact name for queries regarding the completion of this return:	Victoria Fasulo				
Telephone Number:	01733 842735				
E-mail:	v.fasulo@rha.uk.net				

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

Contents

Employers' Association's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
Revenue Account/General Fund.....	3
Accounts other than the revenue account/general fund.....	4-6
Balance sheet.....	7
Fixed Assets Account.....	8
Analysis of investments.....	9
Analysis of investments income (Controlling interests).....	10
Summary sheet.....	11
Summary Sheet (Only for Incorporated Bodies).....	11a
Notes to the accounts.....	12
Accounting policies.....	13
Signatures to the annual return.....	13
Checklist.....	13
Checklist for auditor's report.....	14
Auditor's report (continued).....	15
Guidance on completion.....	16

Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
7,176	182	16	21	7,395

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Director	Mr James Richard Dodd		Resigned 30th May 2019
Director	Mr Steven Zwinkels		Resigned 6th May 2019
Director	Mr James Anthony French		Resigned 30th May 2019
Director		Mrs Emma Victoria Collins	Appointed 30th May 2019
Director		Mr Moreton Ferris Cullimore	Appointed 30th May 2019
Director		Mr Barry Jordan	Appointed 30th May 2019

Company Information

Directors

Mr Ashley Benjamin Barry McCulla
Mr Andrew Percival Howard
Mr James Richard Dodd (resigned 30 May 2019)
Mr David Craig Bratt
Mrs Carol Lesley O'Brien (resigned 9 February 2020)
Mr Andrew MacRae
Mr William Cyril Hockin
Mr James Anthony French (resigned 30 May 2019)
Mr Timothy John Slater
Mr David James McCutcheon
Mr Andrew Buchanan Malcolm
Mr David Ward
Mr Robert Henry Wilcox
Mr Steven Zwinkels (resigned 6 May 2019)
Mrs Emma Victoria Collins (appointed 30 May 2019)
Mr Moreton Ferris Cullimore (appointed 30 May 2019)
Mr Barry Jordan (appointed 30 May 2019)

Registered number

00391886

Registered office

Roadway House
Bretton Way
Bretton
Peterborough
PE3 8DD

Independent auditor

Grant Thornton (NI) LLP
Chartered Accountants & Statutory Auditors
12 - 15 Donegall Square West
Belfast
BT1 6JH

Bankers

Yorkshire Bank
6 Bridge Street
St Helens
WA10 1NF

Solicitors

Birketts LLP
141-145 Princes Street
Ipswich
IP1 1QJ

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Mr Ashley Benjamin Barry McCulla	Director
Mr Andrew Percival Howard	Director
Mr David Craig Bratt	Director
Mr Andrew MacRae	Director
Mr William Cyril Hockin	Director
Mr Timothy John Slater	Director
Mr David James McCutcheon	Director
Mr Andrew Buchanan Malcolm	Director
Mr David Ward	Director
Mr Robert Henry Wilcox	Director
Mrs Emma Victoria Collins	Director
Mr Moreton Ferris Cullimore	Director
Mr Barry Jordan	Director
Mrs Carol Lesley O'Brien	Director

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
	From Members	Subscriptions, levies, etc	9,006,924	9,006,924
	Investment income	Interest and dividends (gross)		
		Bank interest (gross)	14,625	14,625
		Other (specify)		
		CV Show Surplus	377,465	377,465
		Total Investment Income	392,090	392,090
	Other Income	Rents received		
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
		Truck cartel cost recharge	1,055,136	1,055,136
		Sale of goods	1,623,124	1,623,124
		Exhibitions, conference & Seminars	577,692	577,692
		Total of other income		3,255,952
		Total income		12,654,966
		Interfund Transfers IN		
	Expenditure			
	Administrative expenses	Remuneration and expenses of staff	5,800,772	5,800,772
		Occupancy costs	332,684	332,684
		Printing, Stationery, Post	172,675	172,675
		Telephones		
		Legal and Professional fees	102,902	102,902
		Miscellaneous (specify)		
		Other administrative expenses	235,926	235,926
		Motor & travel	819,365	819,365
		Promotions & public relations	447,860	447,860
		Total of Admin expenses		7,912,184
	Other Charges	Bank charges	23,907	23,907
		Depreciation	139,742	139,742
		Sums written off	-2,739	-2,739
		Affiliation fees	334,210	334,210
		Donations		
		Conference and meeting fees	56,021	56,021
		Expenses		
		Miscellaneous (specify)		
		Amortisation	181,697	181,697
		Direct costs of membership services	3,044,433	3,044,433
		Interest on pension scheme liabilities	28,000	28,000
		OCI movement in defined benefit pension	-576,850	-576,850
		Total of other charges		3,228,421
		Taxation	-20,165	-20,165
		Total expenditure		11,120,440
		Interfund Transfers OUT		
		Surplus/Deficit for year		1,534,526
		Amount of fund at beginning of year		1,902,873
		Amount of fund at end of year		3,437,399

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other Income (specify)			
[Shaded area]			
	Total Income		
	Interfund Transfers IN		
Expenditure			
Administrative expenses			
Other expenditure (specify)			
[Shaded area]			
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 3		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
[Shaded area]			
	Total Income		
	Interfund Transfers IN		
Expenditure			
Administrative expenses			
Other expenditure (specify)			
[Shaded area]			
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31st December 2019]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)	1,532,877	1,532,877
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		100,001
	Total Investments	100,001	100,001
	Other Assets		
	Sundry debtors	2,703,149	2,703,149
	Cash at bank and in hand	3,486,860	3,486,860
	Stocks of goods	485,871	485,871
	Others (specify)		
	Intangible Assets	632,367	
	Total of other assets	7,308,247	7,308,247
	Total Assets		8,941,125
1,902,873	Revenue Account/ General Fund	3,437,399	
	Revaluation Reserve		
	Liabilities		
	Sundry Creditors	5,332,726	
	Pension Liability	171,000	
	Total Liabilities		5,503,726
	Total Assets		8,941,125

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings £	Motor Vehicles & Equipment £	Total £
Cost or Valuation				
At start of period	1,450,461	135,830		1,586,291
Additions during period		86,328		86,328
Less: Disposals		-228,370		-228,370
Less: Depreciation	-47,102	135,730		88,628
Total to end of period	1,403,359	129,518		1,532,877
Book Amount at end of period	1,403,359	129,518		1,532,877
Freehold	1,423,612			1,423,612
Leasehold (50 or more years unexpired)	26,849			26,849
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	1,403,359	129,518		1,532,877

Analysis of Investments

(see note 22)

Quoted		Other Funds
		£
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Investment in Associates	100,001
	Total Unquoted (as Balance Sheet)	100,001
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Analysis of investment income (Controlling interests)

(see note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes		No	X
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If Yes name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

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Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	X
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name

Names of shareholders

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Unincorporated Employers' Associations

Are the shares which are controlled by the association registered in the names of the association's trustees?

Yes		No	X
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If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name

Names of shareholders

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	9,006,924	9,006,924
From Investments	392,090	392,090
Other Income (including increases by revaluation of assets)	3,255,952	3,255,952
Total Income	12,654,966	12,654,966
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	11,120,440	11,120,440
Funds at beginning of year (including reserves)	1,902,873	1,902,873
Funds at end of year (including reserves)	3,437,399	3,437,399
ASSETS		
Fixed Assets		1,532,877
Investment Assets		100,001
Other Assets		7,308,247
Total Assets		8,941,125
Liabilities		
Total Liabilities		5,503,726
Net Assets (Total Assets less Total Liabilities)		3,437,399

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members		
From Investments		
Other Income (including increases by revaluation of assets)		
Total Income		
Expenditure (including decreases by revaluation of assets)		
Total Expenditure		
Funds at beginning of year (including reserves)		
Funds at end of year (including reserves)		
ASSETS		
	Fixed Assets	
	Investment Assets	
	Other Assets	
	Total Assets	
Liabilities	Total Liabilities	
Net Assets (Total Assets less Total Liabilities)		

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

As Per attached

Accounting policies

(see notes 35 & 36)

As Per attached

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Secretary's Signature:	 FOR & ON BEHALF OF LR SECRETARIES LTD	Chairman's Signature:	 FINANCE DIRECTOR.
			(or other official whose position should be stated)
Name:	(AS ABOVE)	Name:	DEAN FISHER
Date:	09/06/2020.	Date:	15/06/2020.

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

YES AND SEE ATTACHED.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

YES AND SEE ATTACHED.

3. Your auditors or auditor must include in their report the following wording:
In our opinion the financial statements:

SEE ATTACHED ANNUAL
REPORT

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

As per attached

Signature(s) of auditor or auditors:

N. Taylor

Name(s):

NEAL TAYLOR

Profession(s) or Calling(s):

FCA

Address(es)

*12-15 Donegall Sq West
Belfast
BT1 6SH*

Date:

9/6/20

Contact name for enquiries and telephone number:

*NEAL TAYLOR
0977 97 25410*

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Financial Statements

Road Haulage Association Limited

For the year ended 31 December 2019

Registered number: 00391886

Company Information

Directors

Mr Ashley Benjamin Barry McCulla
Mr Andrew Percival Howard
Mr James Richard Dodd (resigned 30 May 2019)
Mr David Craig Bratt
Mrs Carol Lesley O'Brien (resigned 9 February 2020)
Mr Andrew MacRae
Mr William Cyril Hockin
Mr James Anthony French (resigned 30 May 2019)
Mr Timothy John Slater
Mr David James McCutcheon
Mr Andrew Buchanan Malcolm
Mr David Ward
Mr Robert Henry Wilcox
Mr Steven Zwinkels (resigned 6 May 2019)
Mrs Emma Victoria Collins (appointed 30 May 2019)
Mr Moreton Ferris Cullimore (appointed 30 May 2019)
Mr Barry Jordan (appointed 30 May 2019)

Registered number

00391886

Registered office

Roadway House
Bretton Way
Bretton
Peterborough
PE3 8DD

Independent auditor

Grant Thornton (NI) LLP
Chartered Accountants & Statutory Auditors
12 - 15 Donegall Square West
Belfast
BT1 6JH

Bankers

Yorkshire Bank
6 Bridge Street
St Helens
WA10 1NF

Solicitors

Birketts LLP
141-145 Princes Street
Ipswich
IP1 1QJ

Road Haulage Association Limited
(A company limited by guarantee)

Contents

	Page
Strategic report	1 - 2
Directors' report	3 - 5
Independent auditor's report	6 - 10
Statement of comprehensive income	11
Balance sheet	12
Statement of changes in equity	13
Statement of cash flows	14 - 15
Analysis of net debt	15
Notes to the financial statements	16 - 38

Strategic report

For the year ended 31 December 2019

Introduction

The directors of the Road Haulage Association Limited ('RHA') have the pleasure of submitting their report and accounts for the year ended 31 December 2019. The members of the Board of Directors are appointed or elected in accordance with the Articles of Association and retire biennially. The company is limited by guarantee and does not have share capital.

Business review

The RHA is a not for profit industry association that represents the whole industry and its purpose is to be 'The Voice' representing all commercial vehicle operators, including distribution and warehousing.

The RHA continues to be the flagship for the industry with regards to the European Truck Manufacturers Cartel, by leading a group claim for compensation on behalf of operators (members and non-members alike) to the Competition Appeal Tribunal (CAT) in London. It is our understanding that the RHA claim is the largest of its type in Europe, currently having over 12,200 operators signed up to the action and a further 1,200 who have registered their interest. The Tribunal process is relatively new, and the case has several complicated matters that need addressing. Therefore, it may take several years to reach its conclusion. Nevertheless, the RHA remains committed to ensuring truck operators affected by the Truck Cartel are properly compensated.

That being said, the primary objective of the RHA is to support its members and deliver value for money.

The RHA provides a valuable service to its members: with advice, information and guidance, up-to-the-minute research, area manager support and it offers a comprehensive range of products and services to meet the needs of its members in the areas of compliance and improved business performance.

Complementing the direct support that the RHA provides its members, the RHA also provides intelligence and communication, which aid both the Government and public's understanding of the road haulage industry through extensive media and press coverage. Thanks to an ever-increasing media profile the RHA achieved a record reach of more than 500 million in 2019 – that's the number of times people consumed media content about us on all platforms: print, broadcast and online including social media.

To support the on-going strategy of growth, the RHA aims to increase membership numbers whilst developing and growing commercial services that provide value and relevance to industry sectors.

The RHA must align to market changes, so it can effectively work with the industry, its members and to engage even better with the Government. The UK has now left the EU and during this transitional period, there will be an increased speed at which the UK Government will drive change as a result of trade negotiations. The RHA needs to be adept at understanding what these changes will mean for the industry as well as keeping aligned to technological changes. To achieve this, the RHA needs to reinvest in the structure for the future and growth in membership numbers and "needs-based" commercial services, which play a vital part.

The total membership of the association on 31 December 2019 was 7,395 (2018: 7,239) giving a net increase of 2.2% on the prior year.

The directors are pleased to report a profit for the year of £957,676 (2018: £542,188). The company has made full provision for the deficit on the actuarial valuation of the Defined Benefit Pension Scheme of £171,000 (2018: £1,085,000), which is included in the company reserves of £3,437,399 (2018: £1,902,873).

Strategic report (continued)

For the year ended 31 December 2019

Principal risks and uncertainties

The directors remain vigilant to the risks prevalent in a commercial environment and continue to take steps to minimise or mitigate these risks. Member growth and retention is highly dependent on perceived value for money that RHA membership delivers. Continued investment in optimising business structure and processes, coupled with the development of 'needsbased' services, are deemed essential strategies in protecting the business from these risks.

As the business entered 2020 the primary business risks affecting it were viewed to be the competitive marketplace, changes in legislation and the uncertainty surrounding the ongoing trade negotiations with between the UK and EU. However, the outbreak of the Coronavirus pandemic and its impact on the economy in general and our members in particular mean this is now seen as a key risk to the organisation. At this time, it is uncertain as to how long the current government placed restrictions will last or what the longer term impact will be both to the wider economy and the freight industry and hence our membership and associated income. Management have put in place a number of measures to manage the risks arising but it is not possible at this time to state what the final impact on the Company's performance for the current financial year will be.

Financial key performance indicators

The directors continue to use both financial and non-financial key performance indicators to monitor and manage the business. Regular and timely reporting see particular focus on margins and profitability versus budgeted, debtor days and membership retention rates.

Development and performance

The directors are confident that, going forward, with reinvestment back into the business, development of services for members and continuous improvement in internal controls and reporting will all have a positive impact on the financial performance and position of the company.

The directors consider that in light of the above comments, the company will strive to achieve its budget targets for the upcoming financial year. The strategic focus of the company will be reviewed regularly to ensure it reacts swiftly to changes in trading conditions.

This report was approved by the board on

and signed on its behalf.

Mr Ashley Benjamin Barry McCulla
Director

Directors' report

For the year ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

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 to 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.

Principal activity

The company's principal activity is that of a trade association.

Results

The profit for the year, after taxation, amounted to £957,676 (2018 - £542,188).

Directors

The directors who served during the year were:

Mr Ashley Benjamin Barry McCulla
Mr Andrew Percival Howard
Mr James Richard Dodd (resigned 30 May 2019)
Mr David Craig Bratt
Mrs Carol Lesley O'Brien (resigned 9 February 2020)
Mr Andrew MacRae
Mr William Cyril Hockin
Mr James Anthony French (resigned 30 May 2019)
Mr Timothy John Slater
Mr David James McCutcheon
Mr Andrew Buchanan Malcolm

Directors' report (continued)

For the year ended 31 December 2019

Mr David Ward
Mr Robert Henry Wilcox
Mr Steven Zwinkels (resigned 6 May 2019)
Mrs Emma Victoria Collins (appointed 30 May 2019)
Mr Moreton Ferris Cullimore (appointed 30 May 2019)
Mr Barry Jordan (appointed 30 May 2019)

Future developments

The directors aim is to maintain the management policies which have resulted in the company's growth in recent years.

Matters contained in strategic report

Information the company has chosen, in accordance with S414C (II) of the Companies Act 2006, to set out in the strategic report which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in the directors' report is as follows:

Principal risks & uncertainties

Financial risk management

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

Details of post balance sheet events can be found at note 29 to the accounts.

Road Haulage Association Limited
(A company limited by guarantee)

Directors' report (continued)

For the year ended 31 December 2019

Auditor

The auditor, Grant Thornton (NI) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on _____ and signed on its behalf.

Mr Ashley Benjamin Barry McCulla
Director

(A company limited by guarantee)



Independent auditor's report to the members of Road Haulage Association Limited

Opinion

We have audited the financial statements of Road Haulage Association Limited, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2019, and the related 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Road Haulage Association Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Union's affairs as at 31 December 2019 and of its financial performance and cash flows for the year then ended;
- have been properly prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor 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 United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our 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.



Independent auditor's report to the members of Road Haulage Association Limited (continued)

Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Directors' report and the Strategic Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- adequate accounting records with respect to its transactions and its assets and liabilities; or
- establish and maintain satisfactory system of control of its accounting records

(A company limited by guarantee)



Independent auditor's report to the members of Road Haulage Association Limited (continued)

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Independent auditor's report to the members of Road Haulage Association Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will 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 their 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 of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's 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 they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the 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 a true and fair view.

The auditor shall 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 may be identified during the audit.

(A company limited by guarantee)



Independent auditor's report to the members of Road Haulage Association Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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 auditor's 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.

Neal Taylor (Senior statutory auditor)

for and on behalf of

Grant Thornton (NI) LLP

Chartered Accountants
Statutory Auditors

Belfast

Date:

Statement of comprehensive income

For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	11,207,740	10,477,633
Cost of sales		(3,044,433)	(2,882,187)
Gross profit		8,163,307	7,595,446
Administrative expenses		(8,621,115)	(8,403,000)
Other operating income	5	1,055,136	972,951
Operating profit	6	597,328	165,397
Income from participating interests		377,465	336,717
Interest receivable and similar income	8	14,625	12,479
Interest payable and expenses	9	(23,907)	(4,423)
Other finance income		(28,000)	(6,000)
Profit before tax		937,511	504,170
Tax on profit	11	20,165	38,018
Profit for the financial year		957,676	542,188
Other comprehensive income for the year			
Remeasurement of net defined benefit liability		695,000	(771,000)
Movement of deferred tax relating to pension surplus		(118,150)	131,070
Other comprehensive income for the year		576,850	(639,930)
Total comprehensive income for the year		1,534,526	(97,742)

The notes on pages 16 to 38 form part of these financial statements.

Road Haulage Association Limited
(A company limited by guarantee)
Registered number:00391886

Balance sheet

As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	12	632,367	775,653
Tangible assets	13	1,532,877	1,586,291
Investments	14	100,001	100,001
		<u>2,265,245</u>	<u>2,461,945</u>
Current assets			
Stocks	15	485,871	497,448
Debtors: amounts falling due within one year	16	2,703,149	3,138,952
Cash at bank and in hand	17	3,486,860	3,027,592
		<u>6,675,880</u>	<u>6,663,992</u>
Creditors: amounts falling due within one year	18	(5,332,726)	(6,138,064)
		<u>1,343,154</u>	<u>525,928</u>
Net current assets		<u>1,343,154</u>	<u>525,928</u>
Total assets less current liabilities		<u>3,608,399</u>	<u>2,987,873</u>
Pension liability		(171,000)	(1,085,000)
Net assets		<u>3,437,399</u>	<u>1,902,873</u>
Capital and reserves			
Deemed cost reserve	21	-	55,656
Profit and loss account	21	3,437,399	1,847,217
		<u>3,437,399</u>	<u>1,902,873</u>

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

Mr Ashley Benjamin Barry McCulla
Director

The notes on pages 16 to 38 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2019

	Deemed cost reserve	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	55,656	1,847,217	1,902,873
Comprehensive income for the year			
Profit for the year	-	957,676	957,676
Actuarial gains on pension scheme	-	576,850	576,850
Total comprehensive income for the year	-	1,534,526	1,534,526
Transfer to/from profit and loss account	(55,656)	-	(55,656)
Transfer to/from profit and loss account	-	55,656	55,656
At 31 December 2019	-	3,437,399	3,437,399

Statement of changes in equity

For the year ended 31 December 2018

	Deemed cost reserve	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	55,656	1,944,959	2,000,615
Comprehensive income for the year			
Profit for the year	-	542,188	542,188
Actuarial losses on pension scheme	-	(639,930)	(639,930)
Total comprehensive income for the year	-	(97,742)	(97,742)
At 31 December 2018	55,656	1,847,217	1,902,873

The notes on pages 16 to 38 form part of these financial statements.

Statement of cash flows

For the year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	957,676	542,188
Adjustments for:		
Amortisation of intangible assets	181,697	83,164
Depreciation of tangible assets	139,742	140,887
Loss on disposal of tangible assets	(2,739)	(3,303)
Interest paid	23,907	4,423
Interest received	(392,090)	(349,196)
Taxation charge	(20,165)	(38,018)
Decrease/(increase) in stocks	11,577	(7,519)
Decrease/(increase) in debtors	196,292	(366,776)
(Decrease)/increase in creditors	(1,024,338)	522,291
Corporation tax received/(paid)	141,526	(82,836)
Net cash generated from operating activities	213,085	445,305
Cash flows from investing activities		
Purchase of intangible fixed assets	(38,411)	(421,934)
Purchase of tangible fixed assets	(86,328)	(48,943)
Sale of tangible fixed assets	2,739	4,735
Sale of investment properties	-	204,000
Interest received	14,625	12,479
Income from investments in related companies	377,465	336,717
Net cash from investing activities	270,090	87,054
Cash flows from financing activities		
Repayment of loans	-	(199,304)
Interest paid	(23,907)	(4,423)
Net cash used in financing activities	(23,907)	(203,727)
Net increase in cash and cash equivalents	459,268	328,632
Cash and cash equivalents at beginning of year	3,027,592	2,698,960
Cash and cash equivalents at the end of year	3,486,860	3,027,592
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,486,860	3,027,592
	3,486,860	3,027,592

Analysis of Net Debt

For the year ended 31 December 2019

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	3,027,592	459,268	3,486,860
	<u>3,027,592</u>	<u>459,268</u>	<u>3,486,860</u>

The notes on pages 16 to 38 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2019

1. General information

Road Haulage Association Limited is a company limited by guarantee and incorporated in England. Its registered office is located at Roadway House, Bretton Way, Bretton, Peterborough, PE3 8DD. The Company's principal activity is that of a trade association.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 Going concern

The Directors have considered the Company's future financial performance given the current Coronavirus crisis and its potential impact on the Company's membership and related income. In doing so the Directors have considered the following

- The Company's positive cash reserves at 31 December 2019
- The strong trading performance for the first 3 months of 2020
- Ongoing discussions with the Company's bankers concerning the availability of additional facilities if required
- The package of business support measures announced by the Government

Having factored in the points above the Directors have stress tested their financial projections and are satisfied that the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of these financial statements. Accordingly, the financial statements have been prepared on the going concern basis.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Membership subscription has a duration of 12 months and associated income is recognised over the term of the membership.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software development costs	-	Straight line between 3-5 years
----------------------------	---	---------------------------------

2.11 Tangible fixed assets

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

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 50 years
Long-term leasehold property	- 3 years
Office equipment	- 4 years
Computer equipment	- 3 years

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

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

2.12 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

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

2.15 Cash and cash equivalents

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

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

Notes to the financial statements

For the year ended 31 December 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are required when applying accounting policies. These 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, which can involve a high degree of judgement or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

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 future investments, economic utilisation and the physical condition of the assets.

Software Development Costs

The company has adopted a policy of capitalising development expenditure when certain criteria are met. An assessment is made on a project by project basis at the start of the development phase as to whether the company expects to derive future benefits from the developed asset, and whether it has sufficient technical knowledge to complete the asset as specified in the design brief. This determination is made based on the technical expert used by the company to determine if these technical solutions meet its operational needs. The derived intangibles are assessed at each reporting period for indicators of impairment. The directors consider that all such capitalised assets play an important part in generating profits for the business.

Truck Cartel - Acting as agent not principal

As class representative, the Road Haulage Association Limited (RHA) is the 'representative body' or 'class representative' bringing together a group claim for the industry (those members and non-members who wish to sign up) under the Consumer Rights Act 2015. The RHA itself has not suffered directly as a result of the cartel's behaviours, therefore is acting as an agent, not principal, for the class action.

Carrying value of stock

Stock represents goods for resale and is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Provision is made for obsolete and slow moving stock based on historical experience.

Notes to the financial statements

For the year ended 31 December 2019

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Membership subscriptions	4,196,376	3,964,725
Other membership services and publications	5,188,013	4,789,747
Sales to members	1,623,124	1,586,914
Exhibitions, conferences and seminars etc	200,227	136,247
	<u>11,207,740</u>	<u>10,477,633</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2019 £	2018 £
Management re-charge for Truck Cartel costs	1,055,136	968,895
Net rents receivable	-	4,056
	<u>1,055,136</u>	<u>972,951</u>

6. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	139,742	140,887
Amortisation of intangible assets	181,697	83,164
Auditor's remuneration	22,000	22,000
Auditor's remuneration - corporate tax compliance	3,000	3,000
	<u>346,441</u>	<u>349,051</u>

Notes to the financial statements

For the year ended 31 December 2019

7. Employees

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	5,003,391	4,815,972
Social security costs	491,434	479,783
Cost of defined benefit scheme	30,000	214,000
Cost of defined contribution scheme	275,947	265,012
	<u>5,800,772</u>	<u>5,774,767</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Employees	128	126
Directors	14	14
	<u>142</u>	<u>140</u>

8. Interest receivable

	2019 £	2018 £
Other interest receivable	14,625	12,479
	<u>14,625</u>	<u>12,479</u>

9. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	23,907	4,423
	<u>23,907</u>	<u>4,423</u>

Notes to the financial statements

For the year ended 31 December 2019

10. Other finance costs

	2019 £	2018 £
Net interest on net defined benefit liability	28,000	6,000
	<u>28,000</u>	<u>6,000</u>
	<u><u>28,000</u></u>	<u><u>6,000</u></u>

11. Taxation

	2019 £	2018 £
Corporation tax		
Adjustments in respect of previous periods	(57,395)	(47,638)
	<u>(57,395)</u>	<u>(47,638)</u>
	<u><u>(57,395)</u></u>	<u><u>(47,638)</u></u>
Deferred tax		
Origination and reversal of timing differences	37,230	9,620
	<u>37,230</u>	<u>9,620</u>
	<u><u>37,230</u></u>	<u><u>9,620</u></u>
Taxation on loss on ordinary activities	<u><u>(20,165)</u></u>	<u><u>(38,018)</u></u>

Notes to the financial statements

For the year ended 31 December 2019

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>937,511</u>	<u>504,170</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	178,127	95,792
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	955	1,250
Capital allowances for year in excess of depreciation	34,049	5,909
Adjustments to tax charge in respect of prior periods	(57,395)	(47,638)
Non-taxable income	(345,317)	(149,556)
Amounts charged directly to equity	(118,150)	(146,490)
Capital gains	-	4,785
Deferred tax at a different rate	305	20,221
Other permanent differences	(2,759)	(30,166)
Deferred tax not recognised	157,970	76,805
Deferred tax charged directly to equity	132,050	131,070
Total tax charge for the year	<u><u>(20,165)</u></u>	<u><u>(38,018)</u></u>

Notes to the financial statements

For the year ended 31 December 2019

12. Intangible assets

	Software development costs £
Cost	
At 1 January 2019	1,171,201
Additions - internal	38,411
At 31 December 2019	<u>1,209,612</u>
Amortisation	
At 1 January 2019	395,548
Charge for the year on owned assets	181,697
At 31 December 2019	<u>577,245</u>
Net book value	
At 31 December 2019	<u>632,367</u>
At 31 December 2018	<u>775,653</u>

The intangible assets recognised on the company's balance sheet represent development costs for a CRM system and new website to enable the company to provide a more efficient, tailored and valued added service to its members.

Notes to the financial statements

For the year ended 31 December 2019

13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2019	1,573,196	43,663	269,480	471,345	2,357,684
Additions	-	-	24,705	61,623	86,328
Disposals	-	-	(58,681)	(169,689)	(228,370)
At 31 December 2019	<u>1,573,196</u>	<u>43,663</u>	<u>235,504</u>	<u>363,279</u>	<u>2,215,642</u>
Depreciation					
At 1 January 2019	149,584	16,814	212,368	392,627	771,393
Charge for the year on owned assets	34,003	13,099	33,283	59,357	139,742
Disposals	-	-	(58,681)	(169,689)	(228,370)
At 31 December 2019	<u>183,587</u>	<u>29,913</u>	<u>186,970</u>	<u>282,295</u>	<u>682,765</u>
Net book value					
At 31 December 2019	<u><u>1,389,609</u></u>	<u><u>13,750</u></u>	<u><u>48,534</u></u>	<u><u>80,984</u></u>	<u><u>1,532,877</u></u>
At 31 December 2018	<u><u>1,423,612</u></u>	<u><u>26,849</u></u>	<u><u>57,112</u></u>	<u><u>78,718</u></u>	<u><u>1,586,291</u></u>

Notes to the financial statements

For the year ended 31 December 2019

14. Fixed asset investments

	Investment in associates £
Cost or valuation	
At 1 January 2019	100,001
At 31 December 2019	<u>100,001</u>

The Road Haulage Association Limited, the Society of Motor Manufacturers and Traders Limited and SOE Services Limited, jointly and equally controlled The Commercial Vehicle Show LLP. The LLP undertakes arrangements for, and the staging of, the Commercial Vehicles Shows.

The profit/loss of The Commercial Vehicle Show LLP is shared equally between the three partners. In the year ended 31 December 2019, the Road Haulage Association Limited's share of the profit was £377,465 (2018: £336,717) being one third of the LLP's profit of £1,132,394 (2018: £1,010,151) for the year ended 30 June 2019. The audited accounts of The Commercial Vehicle Show LLP for the year ended 30 June 2019 do not disclose any contingent liabilities or capital commitments.

The Road Haulage Association Limited's investment of £100,000 (2018: £100,000) represents one third of £300,000 share of The Commercial Vehicle Show LLP.

RHA Trustees Limited was incorporated in July 2014 when 1 Ordinary Share of £1 was allotted and issued to Road Haulage Association Limited. This company is wholly owned subsidiary of Road Haulage Association Limited and has been dormant since incorporation. RHA Retirement Benefits Plan Trustees Limited acts as Corporate Trustee for the RHA Retirement Benefits Plan Pension Scheme.

15. Stocks

	2019 £	2018 £
Finished goods and goods for resale	485,871	497,448
	<u>485,871</u>	<u>497,448</u>

Notes to the financial statements

For the year ended 31 December 2019

16. Debtors

	2019 £	2018 £
Trade debtors	1,497,510	1,261,509
Other debtors	316,368	416,538
Prepayments and accrued income	860,201	1,192,324
Tax recoverable	-	84,131
Deferred taxation	29,070	184,450
	<u>2,703,149</u>	<u>3,138,952</u>

17. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	3,486,860	3,027,592
	<u>3,486,860</u>	<u>3,027,592</u>

18. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	578,977	757,979
Other taxation and social security	603,586	453,670
Other creditors	533,681	1,564,381
Accruals and deferred income	3,616,482	3,362,034
	<u>5,332,726</u>	<u>6,138,064</u>

Notes to the financial statements

For the year ended 31 December 2019

19. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	3,486,860	3,027,592
Financial assets that are debt instruments measured at amortised cost	1,813,878	1,678,047
	<u>5,300,738</u>	<u>4,705,639</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,836,574)</u>	<u>(2,823,399)</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, bank loans, accruals and payables to company's special interest groups.

20. Deferred taxation

	2019 £	2018 £
At beginning of year	184,450	63,000
Charged to profit or loss	(155,380)	121,450
At end of year	<u>29,070</u>	<u>184,450</u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Pension deficit	29,070	184,450
	<u>29,070</u>	<u>184,450</u>

Notes to the financial statements

For the year ended 31 December 2019

21. Reserves

Other reserves

The directors have elected to value freehold properties at fair value on the date of transition to FRS 102 and to use that fair value as the deemed cost at that date. As a result, a deemed cost reserve was created. This has been transferred to the profit and loss reserve this year.

Profit and loss account

Included all current and prior period retained profits and losses.

22. Contingent liabilities

There is a contingent liability attaching to any IRU carnet issued within the previous 27 months, but not yet returned and subsequently proved to be used fraudulently. The directors are not aware of any such claims.

23. Capital commitments

At 31 December 2019 the Company had capital commitments as follows:

	2019	2018
	£	£
Contracted for but not provided in these financial statements	-	25,291
	<u>-</u>	<u>25,291</u>
	<u>-</u>	<u>25,291</u>

Notes to the financial statements

For the year ended 31 December 2019

24. Pension commitments

The company operates a defined benefits scheme, the Road Haulage Retirement Benefits Plan, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in Treasury Stock and with insurance companies. The contributions made to the scheme over the financial year have been equivalent to 15.8% of the pensionable salaries by the company and 5% by the employees. Special contributions of £250,000 were made during the year. A full valuation was undertaken as at 31 December 2012 and updated to 31 December 2015 by a qualified independent Actuary. The major assumptions used by the Actuary are summarised below in this note. The insurance assets have not been disclosed in the financial statements as, in the opinion of the directors, these are not material.

Reconciliation of present value of plan liabilities:

	2019 £	2018 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	1,085,000	370,000
Current service cost	-	31,000
Interest cost	28,000	6,000
Actuarial gains/losses	(695,000)	771,000
Contributions	(277,000)	(276,000)
Benefits paid	30,000	-
Gain/loss on plan changes	-	183,000
At the end of the year	171,000	1,085,000

Composition of plan liabilities:

	2019 £	2018 £
Present value of Scheme liabilities at beginning of period	17,470,000	18,239,000
Service cost	30,000	31,000
Employee contributions	7,000	7,000
Interest cost	496,000	446,000
Actuarial (gains)/losses	1,105,000	(648,000)
Benefits paid	(758,000)	(788,000)
Loss on plan changes	-	183,000
Total plan liabilities	18,350,000	17,470,000

Notes to the financial statements

For the year ended 31 December 2019

24. Pension commitments (continued)

Composition of plan assets:

	2019 £	2018 £
Present value of scheme assets at the beginning of period	16,385,000	17,869,000
Interest on Scheme assets	468,000	440,000
Actuarial gains/(losses)	1,800,000	(1,419,000)
Benefits paid	(758,000)	(788,000)
Contributions paid by the Company	277,000	276,000
Employee contributions	7,000	7,000
Total plan assets	18,179,000	16,385,000
Net pension scheme liability	(171,000)	(1,085,000)

The amounts recognised in profit or loss are as follows:

	2019 £	2018 £
Current service cost	(30,000)	(31,000)
Interest on obligation	(28,000)	(6,000)
Loss on plan changes	-	(183,000)
Total	(58,000)	(220,000)

The return on the plan assets was £2,268,000 (2018: £(£979,000)).

The cumulative amount of actuarial gains and losses recognised in the Statement of comprehensive income was £695,000 (2018 - £(771,000)).

The Company expects to contribute £250,000 to its Defined benefit pension scheme in 2020.

Notes to the financial statements

For the year ended 31 December 2019

24. Pension commitments (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2019	2018
	%	%
Discount rate	2.00	2.90
RPI assumption	3.10	3.30
CPI assumption	2.20	2.40
Increase in salaries	0.00	0.00
Pension increases	3.00	3.20

The underlying mortality assumption is based upon the standard table known as S2PA on a year of birth usage with CMI 2017 future improvement factors and a long-term rate of future improvement of 1.0% p.a. (2017: S2PA with CMI 2016 future improvement factors and a long-term future improvement rate of 1.0% p.a.). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.6 years (previously 21.8 years);
- Female age 65 now has a life expectancy of 23.9 years (previously 23.7 years);

Defined Contributions Scheme

As from 1 October 1999, the Company introduced a new 'Defined Contributions Pension Scheme' in respect of new entrants. The pension charge for the year was nil (2018: £nil). The pension scheme was closed as from 31 January 2006 and where appropriate, the accrued benefit transferred to the GPP Pension Scheme.

Group Personal Pension Plan

As from 1 February 2006 the Company introduced a new 'Group Personal Pension Plan' in respect of new entrants and those already in the Defined Contributions Pension Scheme. The contribution rates in respect of the Group Personal Pension Plan are as follows:

Employer's contributions - matched contributions from 1% to 5%

Employees' contributions - 0.8% minimum up to HM Revenue and Customs limit

All contributions are invested with Aviva. The related pension charge for the year was £156,851 (2018: £133,912). Contributions totalling £Nil (2018 - £44,738) were payable to the fund at the balance sheet date and are included in creditors.

Notes to the financial statements

For the year ended 31 December 2019

25. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	149,372	330,472
Later than 1 year and not later than 5 years	426,474	362,675
Later than 5 years	35,000	41,167
	<u>610,846</u>	<u>734,314</u>

26. Special Interest Groups

The results of the related activities undertaken by Special Interest Groups are not considered part of the Company's activities and accordingly are not included in the Company's statement of comprehensive income. The Company holds funds on behalf of these Groups which at 31 December 2019 amounted to £325,519 (2018: £336,105).

27. Related party transactions

The Company's related parties comprise its Board of Directors and its key management. There were no related party transactions with Directors or key management to disclose.

Key management personnel compensation for the financial year totalled £579,788 (2018: £660,623).

28. Company status

The Company is incorporated as a company limited by guarantee and without share capital. In the event of a winding-up or dissolution of the Company, every member has a liability to contribute to its debts as required to an amount not exceeding 25 pence.

29. Post balance sheet events

On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the Company, its members, the economy and the general population and has plans in place to deal with any negative financial consequences. The future financial impact of these events cannot be determined by management at this time given the uncertainty that exist around the length of time that the pandemic and the related government enforced restrictions may last. Management are aware at this time that the underlying value of the Company's pension scheme assets has fallen from their value at 31 December 2019 of £18.2m to £16.6m and it is noted that this fall is tied to the general fall in values of the financial markets since the outbreak began. As the circumstances giving rise to the pandemic were not evident at 31 December 2019 no adjustment to the financial statements has been made in this regard.

Road Haulage Association Limited
(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2019

30. Controlling party

The Directors consider that the board structure means that there is no directly identifiable controlling party.

Registered number: 00391886

Road Haulage Association Limited

Management information

For the year ended 31 December 2019

Road Haulage Association Limited
(A company limited by guarantee)

Detailed profit and loss account

For the year ended 31 December 2019

	2019	2018
	£	£
Turnover	11,207,740	10,477,633
Cost Of Sales	(3,044,433)	(2,882,187)
Gross profit	8,163,307	7,595,446
Gross profit %	72.8 %	72.5 %
Other operating income	1,055,136	972,951
Less: overheads		
Administration expenses	(8,288,431)	(8,101,038)
Establishment expenses	(332,684)	(301,962)
Operating profit	597,328	165,397
Interest receivable	14,625	12,479
Interest payable	(23,907)	(4,423)
Other finance income	(28,000)	(6,000)
Investment income	377,465	336,717
Tax on profit on ordinary activities	20,165	38,018
Profit for the year	957,676	542,188

Road Haulage Association Limited
(A company limited by guarantee)

Schedule to the detailed accounts

For the year ended 31 December 2019

	2019 £	2018 £
Turnover		
Membership subscription	4,196,376	3,964,725
Other membership services and publications	5,188,013	4,789,747
Sales to members	1,623,124	1,586,914
Exhibitions, conferences and seminars etc	200,227	136,247
	<u>11,207,740</u>	<u>10,477,633</u>
	2019 £	2018 £
Cost of sales		
Purchases	1,181,587	1,155,374
Roadway magazine	173,911	157,347
Event costs	205,967	181,064
CV show costs	60,844	56,717
Inspections and audits	162,753	159,775
Rent receivable COS	-	(1,398)
Training course	576,950	505,366
Legal services	677,418	656,545
Workwear	10	475
Write off stock	4,993	10,922
	<u>3,044,433</u>	<u>2,882,187</u>
	2019 £	2018 £
Other operating income		
Other operating income	1,055,136	968,895
Net rents receivable	-	4,056
	<u>1,055,136</u>	<u>972,951</u>

Road Haulage Association Limited
(A company limited by guarantee)

Schedule to the detailed accounts

For the year ended 31 December 2019

	2019	2018
	£	£
Administration expenses		
Staff salaries	5,003,391	4,815,972
Staff national insurance	491,434	479,783
Staff pension costs - defined contribution schemes	275,947	265,012
Staff pension costs - defined benefit schemes	30,000	31,000
Staff pension costs - charge re GMP equalisation	-	183,000
Staff training	50,923	41,963
Staff welfare	34,838	22,278
Motor running costs	502,696	511,285
Entertainment	5,028	6,577
Hotels, travel and subsistence	311,641	330,510
Printing and stationery	39,199	43,184
Postage	46,846	74,012
Telephone and fax	86,630	73,653
Computer costs	13,209	11,345
General office expenses	14,294	22,060
Advertising and promotion	447,860	334,943
Trade subscriptions	318,730	278,746
Charity donations	15,480	24,230
Legal and professional	75,119	88,677
Auditors' remuneration	23,033	27,590
Fees payable - interco	450	221
Accountancy fees	4,750	2,250
Equipment hire	27,539	24,177
Bank charges	59,478	57,962
Bad debts	(18,665)	29,642
Difference on foreign exchange	591	234
Sundry expenses	(8,032)	(4,965)
Insurances	46,222	59,285
Repairs and maintenance	(22)	431
Depreciation - office equipment	33,283	32,129
Depreciation - computer equipment	59,357	61,656
Amortisation - intangible fixed assets	181,697	83,164
Depreciation - freehold property	47,102	47,102
Profit/loss on sale of tangible assets	(2,739)	(3,302)
Meeting costs	56,021	32,915
RHA shop stock booked out - internal	15,101	12,317
	8,288,431	8,101,038

Road Haulage Association Limited
(A company limited by guarantee)

Schedule to the detailed accounts

For the year ended 31 December 2019

	2019 £	2018 £
Establishment		
Rent - non-operating leases	(10,125)	(9,100)
Rent - operating leases	81,200	81,200
Rates	86,620	87,630
Water	7,938	3,580
Light and heat	35,516	32,512
Service charges	36,193	36,153
Insurances	19,694	20,295
Repairs and maintenance	65,064	42,523
Equipment hire	10,584	7,169
	<u>332,684</u>	<u>301,962</u>
	<u><u>332,684</u></u>	<u><u>301,962</u></u>
	2019 £	2018 £
Interest receivable		
Bank interest receivable	14,625	12,479
	<u>14,625</u>	<u>12,479</u>
	<u><u>14,625</u></u>	<u><u>12,479</u></u>
	2019 £	2018 £
Interest payable		
Bank overdraft interest payable	23,907	4,423
	<u>23,907</u>	<u>4,423</u>
	<u><u>23,907</u></u>	<u><u>4,423</u></u>
	2019 £	2018 £
Interest on pension scheme liabilities	28,000	6,000
	<u>28,000</u>	<u>6,000</u>
	<u><u>28,000</u></u>	<u><u>6,000</u></u>
	2019 £	2018 £
Investment income		
Income from interests in associated undertakings	377,465	336,717
	<u>377,465</u>	<u>336,717</u>
	<u><u>377,465</u></u>	<u><u>336,717</u></u>