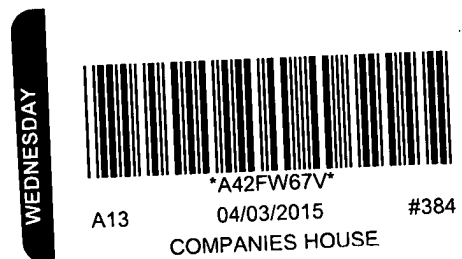


Financial Statements

Abbey Logistics Group Limited

For the year ended 30 June 2014



Registered number: 02484251

Abbey Logistics Group Limited

Company Information

Directors	S J Lucy D Coulson S Granite K Hudson
Company secretary	P Jamieson
Registered number	02484251
Registered office	Brasenose Road Millers Bridge Bootle Mersyside L20 8HE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	Nat West Bank 22 Castle Street Liverpool L2 OUP
Solicitors	DLA Piper UK LLP India Buildings Water Street Liverpool L2 0NH

Contents

	Page
Directors' report	1 - 2
Strategic report	3 - 4
Independent auditor's report	5 - 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 - 23

Directors' Report

For the year ended 30 June 2014

The directors present their report and the financial statements for the year ended 30 June 2014.

Results

The profit for the year, after taxation, amounted to £803,683 (2013 - £756,484).

Directors

The directors who served during the year were:

S J Lucy
S Granite
D Coulson
M A Lucy (resigned 22 November 2013)
S Farrell (resigned 4 July 2014)
K Hudson (appointed 3 March 2014)

Charitable donations

During the year the company made charitable donations of £5,767 (2013: £7,682).

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 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 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.

Directors' Report

For the year ended 30 June 2014

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 that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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.

Purchase of own shares

On 22 November 2013 21,383 £1 Ordinary shares were purchased back by the company for a total consideration of £825,000.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



S J Lucy
Director

Date: 2 March 2015

Strategic Report

For the year ended 30 June 2014

Business review

The Board is pleased with the financial performance for the year ended June 2014 and is optimistic about the future outlook of the business.

The Company has continued its growth strategy following the successful achievement of its 5 year strategy (2010-2015), 1 year early. A new 5 year strategy was launched in 2014 aiming to grow the business further. This was given a head start with the acquisition of certain assets from Seaford Logistics Limited in June 2014, adding circa £6m annual turnover.

Abbey was again awarded the most coveted award in the transport industry, Motor Transport Haulier of the Year 2014, becoming only the third business to win it twice. It is testament to the people within the business for their hard work and dedication that makes Abbey so unique.

The Board has announced a year of consolidation in 2015 during which time the business will focus on further improving efficiency, employee engagement and cash reserves which will be used to fund further planned growth in 2016.

Principal risks and uncertainties

The company uses various financial instruments; these include loans, finance leases and hire purchase contracts, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the company's financial instruments are liquidity risk, credit risk and cashflow interest rate risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous years.

Liquidity Risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by invoice discounting facilities. The maturity of borrowings is set out in the notes to the financial statements.

Credit Risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited. The principal credit risk arises therefore from its trade debtors.

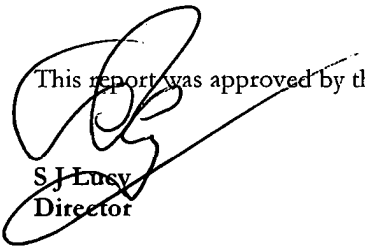
In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Strategic Report (continued)

For the year ended 30 June 2014

Interest Rate Risk

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

 This report was approved by the board on 2 March 2015 and signed on its behalf.

S.J. Lacey
Director



Independent Auditor's Report to the Members of Abbey Logistics Group Limited

We have audited the financial statements of Abbey Logistics Group Limited for the year ended 30 June 2014, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and reconciliation of net cash flow to movement in net debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our 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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.



Independent Auditor's Report to the Members of Abbey Logistics Group Limited

Matters on which we are required to report by exception

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

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

Grant Thornton UK LLP

Carl Williams (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Liverpool

2 March 2015

Profit and Loss Account

For the year ended 30 June 2014

	Note	2014 £	2013 £
Turnover	1,2	37,849,335	31,330,220
Cost of sales		(33,034,635)	(27,288,738)
Gross profit		4,814,700	4,041,482
Administrative expenses		(3,436,046)	(2,740,708)
Operating profit	3	1,378,654	1,300,774
Interest payable and similar charges	7	(424,550)	(400,399)
Profit on ordinary activities before taxation		954,104	900,375
Tax on profit on ordinary activities	8	(150,421)	(143,891)
Profit for the financial year		803,683	756,484

All amounts relate to continuing operations.

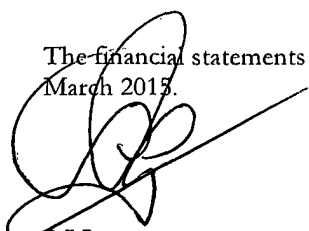
There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 10 to 23 form part of these financial statements.

Abbey Logistics Group Limited**Registered number: 02484251****Balance Sheet****As at 30 June 2014**

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	9		121,000		25,962
Tangible assets	10		14,905,828		14,015,211
			<u>15,026,828</u>		<u>14,041,173</u>
Current assets					
Stocks	11	276,682		246,048	
Debtors	12	7,731,552		6,768,533	
Cash at bank and in hand		37,368		146,434	
			<u>8,045,602</u>	<u>7,161,015</u>	
Creditors: amounts falling due within one year	13	(12,446,353)		(10,744,193)	
Net current liabilities			<u>(4,400,751)</u>		<u>(3,583,178)</u>
Total assets less current liabilities			<u>10,626,077</u>		<u>10,457,995</u>
Creditors: amounts falling due after more than one year	14	(6,699,392)		(6,198,697)	
Provisions for liabilities					
Deferred tax	15	(635,000)		(735,000)	
Net assets			<u>3,291,685</u>		<u>3,524,298</u>
Capital and reserves					
Called up share capital	16	79,073		100,456	
Share premium account	17	73,227		73,227	
Capital redemption reserve	17	81,527		60,144	
Profit and loss account	17	3,057,858		3,290,471	
Shareholders' funds	18		<u>3,291,685</u>		<u>3,524,298</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 March 2015.



S J Lucy
Director

The notes on pages 10 to 23 form part of these financial statements.

Cash Flow Statement

For the year ended 30 June 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	20	4,678,019	2,786,390
Returns on investments and servicing of finance	21	(424,550)	(400,399)
Taxation		(259,971)	(87,341)
Capital expenditure and financial investment	21	(139,322)	(165,183)
Equity dividends paid		(211,296)	(219,582)
Cash inflow before financing		3,642,880	1,913,885
Financing	21	(3,820,792)	(1,949,086)
Decrease in cash in the year		(177,912)	(35,201)

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 30 June 2014

	2014 £	2013 £
Decrease in cash in the year	(177,912)	(35,201)
Cash outflow from decrease in debt and lease financing	2,995,792	1,949,086
Change in net debt resulting from cash flows	2,817,880	1,913,885
New finance leases	(3,773,491)	(3,211,477)
Movement in net debt in the year	(955,611)	(1,297,592)
Net debt at 1 July 2013	(13,015,840)	(11,718,248)
Net debt at 30 June 2014	(13,971,451)	(13,015,840)

The notes on pages 10 to 23 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The accounting policies have been applied consistency for all matters material to the financial statements.

The accounting policies remain unchanged from the prior year and are set out below.

1.2 Going concern

The financial statements have been prepared on the going concern basis, which principally assumes that the company will be able to meet its liabilities as they fall due for the foreseeable future.

The directors have prepared profit forecasts for the period ended 30 June 2016 and beyond. In addition the invoice discounting facility has recently been renewed.

Notwithstanding the net current liabilities, on the basis of the above, the directors consider that the going concern basis is appropriate.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Income is recognised at the point at which goods are collected from customers.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	20% - 33% straight line
Motor vehicles	-	20% - 33% straight line
Fixtures and fittings	-	20% straight line
Tractors and tanks	-	7% - 25% straight line

Notes to the Financial Statements

For the year ended 30 June 2014

1. Accounting Policies (continued)

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Current taxation

The current tax charge is based on the profit for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of the total recognised gains and losses.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the year ended 30 June 2014

1. Accounting Policies (continued)

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.13 Financial instruments

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

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

2. Turnover

The turnover and profit on ordinary activities before taxation is attributable to one activity and one geographical location.

All turnover arose within the United Kingdom.

Notes to the Financial Statements

For the year ended 30 June 2014

3. Operating profit

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

	2014	2013
	£	£
Amortisation - intangible fixed assets	25,962	25,547
Depreciation of tangible fixed assets:		
- owned by the company	694,494	813,907
- held under finance leases	2,157,328	1,850,884
- land and buildings		
- other operating leases	313,974	230,043
Difference on foreign exchange	(38,664)	1,419
Loss/(profit) on disposal of fixed assets	49,373	(2,505)
Hire of plant and equipment	491,282	75,443
	<u> </u>	<u> </u>

4. Auditors' remuneration

	2014	2013
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	15,000	15,000
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	3,620	3,645
All other non-audit services not included above	8,276	12,683
	<u> </u>	<u> </u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	12,269,473	9,721,195
Social security costs	902,483	888,184
Other pension costs	43,238	25,183
	<u> </u>	<u> </u>
	13,215,194	10,634,562
	<u> </u>	<u> </u>

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

	2014	2013
	No.	No.
Administration and haulage	388	348
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 30 June 2014

6. Directors' remuneration

	2014	2013
	£	£
Remuneration	284,325	365,026
Company pension contributions to defined contribution pension schemes	20,599	9,629

During the year retirement benefits were accruing to 5 directors (2013 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £109,404 (2013 - £108,117).

7. Interest payable

	2014	2013
	£	£
On bank overdraft	69,828	53,194
On other loans	(3,613)	18,000
On finance leases and hire purchase contracts	358,335	329,205
	424,550	400,399

8. Taxation

	2014	2013
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	250,000	225,000
Adjustments in respect of prior periods	421	(12,109)
Total current tax	250,421	212,891
Deferred tax (see note 15)		
Origination and reversal of timing differences	(100,000)	(69,000)
Tax on profit on ordinary activities	150,421	143,891

Notes to the Financial Statements

For the year ended 30 June 2014

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 22.5% (2013 - 23.8%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	954,104	900,375
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.5% (2013 - 23.8%)	214,673	214,289
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	28,454	13,046
Depreciation for year in excess of capital allowances	8,738	33,100
Adjustments to tax charge in respect of prior periods	421	(12,109)
Short term timing difference leading to a decrease in taxation	-	(30,464)
Marginal relief	(1,865)	(4,971)
Current tax charge for the year (see note above)	250,421	212,891

9. Intangible fixed assets

	Goodwill £
Cost	
At 1 July 2013	100,094
Additions	121,000
At 30 June 2014	221,094
Amortisation	
At 1 July 2013	74,132
Charge for the year	25,962
At 30 June 2014	100,094
Net book value	
At 30 June 2014	121,000
At 30 June 2013	25,962

Goodwill brought forward arose on the purchase of assets of R H Stevens Tankers Limited/Macclesfield Transport Limited. Goodwill acquired during the year arose on the purchase of assets of Seaford Logistics Limited.

Notes to the Financial Statements

For the year ended 30 June 2014

10. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Tractors and tanks £	Total £
Cost					
At 1 July 2013	606,442	116,560	80,977	26,245,692	27,049,671
Additions	49,253	23,250	-	3,887,258	3,959,761
Disposals	-	-	-	(1,022,385)	(1,022,385)
At 30 June 2014	655,695	139,810	80,977	29,110,565	29,987,047
Depreciation					
At 1 July 2013	509,448	91,638	80,977	12,352,397	13,034,460
Charge for the year	58,938	10,859	-	2,782,025	2,851,822
On disposals	-	-	-	(805,063)	(805,063)
At 30 June 2014	568,386	102,497	80,977	14,329,359	15,081,219
Net book value					
At 30 June 2014	87,309	37,313	-	14,781,206	14,905,828
At 30 June 2013	96,994	24,922	-	13,893,295	14,015,211

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £	2013 £
Tractors and tanks	12,718,724	10,895,437

11. Stocks

	2014 £	2013 £
Fuel and other consumables	276,682	246,048

12. Debtors

	2014 £	2013 £
Trade debtors	6,410,534	5,472,788
Other debtors	101,748	296,200
Called up share capital not paid	4,158	4,158
Prepayments and accrued income	1,215,112	995,387
	7,731,552	6,768,533

Notes to the Financial Statements

For the year ended 30 June 2014

12. Debtors (continued)

Included within other debtors is £47,449 (2013: £296,199) relating to overdrawn directors' loan accounts. Further details are provided in note 27.

13. Creditors:

Amounts falling due within one year

	2014	2013
	£	£
Bank overdraft	410,645	341,799
Pension fund loan	180,000	180,000
Net obligations under finance leases and hire purchase contracts	3,402,713	2,963,529
Trade creditors	3,579,948	2,773,832
Corporation tax	250,000	259,550
Other taxation and social security	877,924	351,466
Other loan	3,316,068	3,478,249
Other creditors	10,902	-
Accruals and deferred income	418,153	395,768
	<u>12,446,353</u>	<u>10,744,193</u>

The bank overdraft, pension fund loan and other loan are secured against all assets of the company. Net obligations under finance leases and hire purchase contracts are secured against the assets to which they relate.

Notes to the Financial Statements

For the year ended 30 June 2014

14. Creditors:

Amounts falling due after more than one year

	2014 £	2013 £
Pension fund loan	225,000	405,000
Net obligations under finance leases and hire purchase contracts	6,474,392	5,793,697
	<u>6,699,392</u>	<u>6,198,697</u>

Included within the above are amounts falling due as follows:

	2014 £	2013 £
Between one and two years		
Other loans	180,000	180,000
	<u>180,000</u>	<u>180,000</u>
Between two and five years		
Pension fund loan	45,000	225,000
	<u>45,000</u>	<u>225,000</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2014 £	2013 £
Between one and five years	6,474,392	5,793,697
	<u>6,474,392</u>	<u>5,793,697</u>

Net obligations under finance leases and hire purchase contracts are secured against the assets to which they relate.

15. Deferred taxation

	2014 £	2013 £
At beginning of year	735,000	804,000
Released during year	(100,000)	(69,000)
	<u>635,000</u>	<u>735,000</u>
At end of year	635,000	735,000

The provision for deferred taxation is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	635,000	735,000
	<u>635,000</u>	<u>735,000</u>

Notes to the Financial Statements

For the year ended 30 June 2014

16. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
79,073 (2013 - 100,456) Ordinary shares of £1 each	<u>79,073</u>	<u>100,456</u>

On 22 November 2013 21,383 shares were purchased back by the company for a total consideration of £825,000. The purpose of the transaction was to reflect the shareholder's reduced involvement in the business.

17. Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 July 2013	73,227	60,144	3,290,471
Profit for the financial year	-	-	803,683
Dividends paid: Equity capital	-	-	(211,296)
Purchase of own shares	-	-	(825,000)
Transfer on purchase of own shares	-	21,383	-
At 30 June 2014	<u>73,227</u>	<u>81,527</u>	<u>3,057,858</u>

18. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	3,524,298	2,987,396
Profit for the financial year	803,683	756,484
Dividends (Note 19)	(211,296)	(219,582)
Shares redeemed/cancelled during the year	(825,000)	-
Closing shareholders' funds	<u>3,291,685</u>	<u>3,524,298</u>

19. Dividends

	2014 £	2013 £
Dividends paid on equity capital	<u>211,296</u>	<u>219,582</u>

Notes to the Financial Statements

For the year ended 30 June 2014

20. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	1,378,654	1,300,774
Amortisation of intangible fixed assets	25,962	25,547
Depreciation of tangible fixed assets	2,851,822	2,664,791
Loss/(profit) on disposal of tangible fixed assets	49,373	(2,505)
(Increase)/decrease in stocks	(30,634)	21,171
Increase in debtors	(963,019)	(1,471,849)
Increase in creditors	1,365,861	248,461
Net cash inflow from operating activities	4,678,019	2,786,390

21. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest paid	(66,215)	(71,194)
Hire purchase and finance lease interest	(358,335)	(329,205)
Net cash outflow from returns on investments and servicing of finance	(424,550)	(400,399)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of goodwill	(121,000)	-
Purchase of tangible fixed assets	(186,271)	(232,185)
Sale of tangible fixed assets	167,949	67,002
Net cash outflow from capital expenditure	(139,322)	(165,183)

	2014 £	2013 £
Financing		
Purchase of ordinary shares	(825,000)	-
Repayment of other loans	(180,000)	-
Repayment of finance leases	(2,653,611)	(3,429,575)
Movements on other debt	(162,181)	1,480,489
Net cash outflow from financing	(3,820,792)	(1,949,086)

Notes to the Financial Statements

For the year ended 30 June 2014

22. Analysis of changes in net debt

	1 July 2013	Cash flow	Other non-cash changes	30 June 2014
	£	£	£	£
Cash at bank and in hand	146,434	(109,066)	-	37,368
Bank overdraft	(341,799)	(68,846)	-	(410,645)
	<u>(195,365)</u>	<u>(177,912)</u>	<u>-</u>	<u>(373,277)</u>
Debt:				
Finance leases	(8,757,226)	2,653,611	(3,773,491)	(9,877,106)
Debts due within one year	(3,658,249)	162,181	-	(3,496,068)
Debts falling due after more than one year	(405,000)	180,000	-	(225,000)
Net debt	<u>(13,015,840)</u>	<u>2,817,880</u>	<u>(3,773,491)</u>	<u>(13,971,451)</u>

23. Contingent liabilities

There were no contingent liabilities at 30 June 2014 or 30 June 2013.

24. Capital commitments

At 30 June 2014 the company had capital commitments as follows:

	2014	2013
	£	£
Contracted for but not provided in these financial statements	<u>1,834,000</u>	<u>1,360,000</u>

Since the year end the company continued its programme to expand its fleet with the purchase of a further 27 DAF tractor units for the powder division.

25. Pension commitments

The company operates a defined contribution pension scheme for the benefit of directors and employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

Notes to the Financial Statements

For the year ended 30 June 2014

26. Operating lease commitments

At 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within 1 year	131,400	131,400	2,600	7,500
Between 2 and 5 years	85,354	77,476	712,956	57,816
After more than 5 years	97,500	97,500	-	176,172

27. Related party transactions

During the year certain directors had overdrawn directors loan accounts. The balance at the year end and the maximum amount overdrawn is shown as follows.

	Maximum liability during the year	2014	2013
	£	£	£
S J Lucy	174,242	47,449	151,807
M A Lucy (resigned 22 November 2013)	-	-	144,392

The company had the following transactions and balances with Abbey Road Tanks Limited Retirement and Death Benefit Scheme, two of whose trustees are directors or former directors of the company. During the year Abbey Road Tanks Limited Retirement and Death Benefit Scheme charged rent of £97,500 (2013: £97,500) to the company. On 25 August 2011 the company received a loan of £900,000. The loan is repayable in equal quarterly instalments of £45,000. Interest was charged on the loan during the year of £7,132 £12,000 (2013: £8,973). The amount outstanding at the year end was £405,000 (2012: £585,000).

The following dividends were paid to directors during the year:

	2014	2013
	£	£
S J Lucy	109,967	98,610
M A Lucy (Resigned 22 November 2013)	93,391	98,585
S Granite	5,450	15,367
D Coulson	2,488	7,020
Total	211,296	219,582

Notes to the Financial Statements

For the year ended 30 June 2014

28. Acquisitions

On 11 June 2014 the company acquired the assets of Seafeld Logistics Limited.

	Book value £	Fair value adjustment £	Fair value £
Fixed assets	186,993	(83,993)	103,000
	<u>186,993</u>	<u>(83,993)</u>	<u>103,000</u>
Consideration			
Cash paid			224,000
Goodwill			<u>121,000</u>