

MEACHERS GROUP INVESTMENTS LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2017**

Company Registration No: 03121085 (England and Wales)



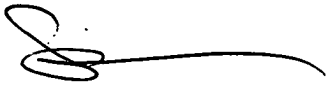
MEACHERS GROUP INVESTMENTS LIMITED
NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the company will be held at Unit 19, Mauretania Road, Nursling Industrial Estate, Southampton, Hampshire on 12th October 2017 at 10:00a.m. for the following purposes:-

1. To receive the accounts for the year ended 31 May 2017 together with the reports of the directors and auditors thereon.
2. To re-appoint the auditors and authorise the directors to fix their remuneration.

A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the company.

By order of the board



S R Terris
Secretary

8th September 2017

Registered office:
Unit 19, Mauretania Road
Nursling Industrial Estate
Southampton
Hampshire
SO16 0YS

Registered in England
No. 03121085

MEACHERS GROUP INVESTMENTS LIMITED

Strategic Report for the year ended 31 May 2017

Review of the business

The principal activity of the group continues to be the supply of logistics services.

In accordance with the Companies Act 2006, S414c (11), information in respect of business activities, risk and future developments are shown below.

The results for the group are set out on page 4 of the accounts. The group has again performed well during the year maintaining both gross profit and operating profit percentages whilst increasing turnover by 4.4%. Operating profit remained consistent at 7.9% in the financial period on turnover that increased by £1.1m to £26.1m. Pre-tax profit was in line with expectations.

The directors continued their policy of reinvesting in the business with the group's net worth increasing by 19.6% from £4.3m to £5.1m. A further property was added to the investment property portfolio during the year bringing the total number of properties to three and increasing the total portfolio value to £1.3m.

Throughout the year there has been continued effort to review and reorganise departments where necessary in order to maintain operational efficiency. The group has also invested heavily in IT projects implementing new payroll, HR and traffic management systems that, once fully integrated, should benefit customers and staff alike.

Financial risk management

The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related financial costs.

The group makes little use of financial instruments other than an operational bank account, a bank loan, hire purchase and contract hire agreements. All of these bear interest at a market competitive rate.

The group credit risk is managed through a combination of obtaining credit checks on potential customers and maintaining credit limits for existing customers which are reviewed periodically.

The group's cash position is monitored on a daily basis and the short term future liquidity requirements are regularly reviewed.

Detailed management accounts incorporating the key performance indicators are produced and reviewed during the monthly Board Meetings and a rolling group forecast is also presented and monitored.

As a result the exposure to price risk, credit risk, liquidity risk and cash flow risk is not considered to be material for the assessment of the assets, liabilities, financial position and profit of the group.

Future Developments

The directors are looking for the group's recent performance, and the development of the group, to continue. It is anticipated that this will be through organic growth, adding additional contracted business within the core activities of warehousing, freight forwarding and UK distribution.

The directors recognise that there remain a number of potential areas of concern that could impact future profitability. These continue to include rising employment costs relating particularly to skills shortages and legislation changes, volatility in the price of fuel and, given the international nature of a significant part of our business, the uncertainty surrounding the potential impact of Brexit.

Fuel surcharge clauses are included in all transport contracts to minimise the impact of increases in the price of fuel and safeguard the profitability in our pricing framework and the company remains active in local efforts to attract new drivers to the industry.

It is the group's intention to continue to invest heavily in the business ensuring a modern fleet of vehicles and up to date facilities and systems are maintained.

Signed on behalf of the directors



R. T. Terris, Director

Approved by the directors on 12th October 2017

MEACHERS GROUP INVESTMENTS LIMITED
Report of the directors for the year ended 31 May 2017

The directors present their annual report and the audited financial statements of the company and its subsidiaries (the group) for the year ended 31 May 2017.

Directors

The directors of the company at the date of this report were as follows:

Mr. R.T. Terris - Chairman
Mr. S.R. Terris - Managing Director
Mr. N.S. Fensome
Mr J.E. Terris

Under the company's Articles of Association the directors are not subject to retirement by rotation.

Dividends

Dividends totalling £700,000 were paid during the year.

Post Balance Sheet Events

There are no reportable post balance sheet events.

Auditors

RSM UK Audit LLP are deemed to be re-appointed as auditor in accordance with section 487(2) of the Companies Act 2006.

Qualifying Third Party Indemnity Provision and Pension Scheme Indemnity Provision

A qualifying third party indemnity provision and qualifying pension scheme indemnity provision were in force during the entirety of the financial year for the benefit of the current directors.

Strategic Report

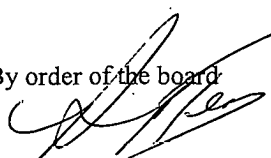
The directors have chosen in accordance with section 414C (11) of the Companies Act 2006 to include in the Strategic Report matters otherwise required to be disclosed in the Directors' Report as the directors consider these are of strategic importance to the company.

Statement of disclosures to auditor

In so far as the directors are aware:

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

By order of the board


R. T. Terris
Director

Registered Office:
Unit 19, Mauretania Road
Nursling Industrial Estate
Southampton
Hampshire SO16 0YS

12th October 2017

Registered in England No. 03121085

MEACHERS GROUP INVESTMENTS LIMITED

Consolidated Statement of Comprehensive Income for the year ended 31 May 2017

	<u>Notes</u>	<u>2017</u> <u>£000</u>	<u>2016</u> <u>£000</u>
Turnover	1(c),2	26,099	25,001
Cost of sales		<u>20,916</u>	<u>20,036</u>
Gross profit		5,183	4,965
Administrative expenses	3	<u>3,115</u>	<u>3,006</u>
Operating profit		2,068	1,959
Interest payable and similar charges	5	<u>86</u>	<u>58</u>
Profit on ordinary activities before taxation	4	1,982	1,901
Taxation	7	<u>441</u>	<u>389</u>
Profit and total comprehensive income for the year attributable to owners		<u>1,541</u>	<u>1,512</u>

All amounts relate to continuing operations.

MEACHERS GROUP INVESTMENTS LIMITED

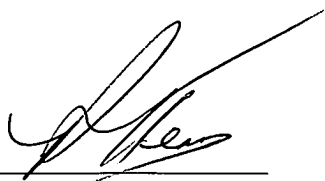
Company Number: 03121085

Consolidated Statement of Financial Position at 31 May 2017

		Group		Company	
	Notes	2017 £000	2016 £000	2017 £000	2016 £000
Fixed assets					
Tangible assets	9	2,855	3,464	-	-
Investment properties	10	1,311	607	-	-
Investments	11	14	14	2,398	2,398
		<u>4,180</u>	<u>4,085</u>	<u>2,398</u>	<u>2,398</u>
Current assets					
Stocks	14	67	40	-	-
Debtors	15	6,342	5,081	-	-
Cash at bank and in hand		<u>1,189</u>	<u>1,918</u>	-	-
		7,598	7,039	-	-
Current liabilities					
Creditors: amounts falling due within one year	16	<u>5,601</u>	<u>4,667</u>	-	-
Net current assets		<u>1,997</u>	<u>2,372</u>	-	-
Total assets less current liabilities		6,177	6,457	2,398	2,398
Creditors: amounts falling due after more than one year	16	951	2,062	-	-
Provisions for liabilities and charges	17	<u>102</u>	<u>112</u>	-	-
Net assets		<u>5,124</u>	<u>4,283</u>	<u>2,398</u>	<u>2,398</u>
Capital and reserves					
Called-up share capital	18	56	56	56	56
Share premium account	19	17	17	17	17
Capital redemption reserve	19	1,037	1,037	1,037	1,037
Profit and loss account	19	<u>4,014</u>	<u>3,173</u>	<u>1,288</u>	<u>1,288</u>
Total equity attributable to the owners of the parent		<u>5,124</u>	<u>4,283</u>	<u>2,398</u>	<u>2,398</u>

The company's profit for the year and total comprehensive income for the year were £700,000 (2016: £2,300,000).

These financial statements on page 4 to 26 were approved by the directors and authorised for issue on 12th October 2017 and are signed on their behalf by:



R. T. Terris.
Director.

MEACHERS GROUP INVESTMENTS LIMITED

Consolidated Statement of Changes in Equity for the year ended 31 May 2017

	Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Equity shareholders' funds £000
Shareholders' funds					
Group					
At 1 June 2015	93	17	1,000	3,961	5,071
Profit and total comprehensive income for the year	-	-	-	1,512	1,512
Share purchase	(37)	-	37	(1,800)	(1,800)
Dividends	-	-	-	(500)	(500)
Total transactions with owners	(37)	-	37	(2,300)	(2,300)
At 31 May 2016	56	17	1,037	3,173	4,283
At 1 June 2016	56	17	1,037	3,173	4,283
Profit and total comprehensive income for the year	-	-	-	1,541	1,541
Total transactions with owners:					
Dividends	-	-	-	(700)	(700)
At 31 May 2017	56	17	1,037	4,014	5,124

MEACHERS GROUP INVESTMENTS LIMITED

Company Statement of Changes in Equity for the year ended 31 May 2017

	Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Equity shareholders' funds £000
Shareholders' funds					
Company					
At 1 June 2015	93	17	1,000	1,288	2,398
Profit and total comprehensive income for the year	-	-	-	2,300	2,300
Share purchase	(37)	-	37	(1,800)	(1,800)
Dividends	-	-	-	(500)	(500)
Total transactions with owners	(37)	-	37	(2,300)	(2,300)
At 31 May 2016	56	17	1,037	1,288	2,398
At 1 June 2016	56	17	1,037	1,288	2,398
Profit and total comprehensive income for the year	-	-	-	700	700
Total transactions with owners:					
Dividends	-	-	-	(700)	(700)
At 31 May 2017	56	17	1,037	1,288	2,398

MEACHERS GROUP INVESTMENTS LIMITED

Consolidated Cash Flow Statement for the year ended 31 May 2017

	2017 £000	2016 £000
Operating activities		
Cash generated from operations	2,285	2,822
Interest paid	(84)	(58)
Corporation tax paid	(617)	(382)
Net cash generated from operations	1,584	2,382
Investing activities		
Purchase of tangible fixed assets	(863)	(732)
Sale of tangible fixed assets	271	108
Net cash used in investing activities	(592)	(624)
Financing activities		
Payments to acquire own shares	-	(1,800)
Dividends paid	(700)	(500)
Proceeds of bank loan	-	1,200
Repayment of bank loan	(221)	(220)
Lease Purchase - capital paid	(723)	(570)
- initial payments	(77)	(20)
Net cash used in financing activities	(1,721)	(1,910)
Net decrease in cash and cash equivalents	(729)	(152)
Cash and cash equivalents at beginning of year	1,918	2,070
Cash and cash equivalents at end of year	1,189	1,918
Relating to:		
Bank balances and short term deposits included in cash at bank and in hand	1,189	1,918

MEACHERS GROUP INVESTMENTS LIMITED

Reconciliation of Profit after Tax to Cash Generated from Operations

	2017 £000	2016 £000
Profit after tax	1,541	1,512
Adjustments for:		
Depreciation charges	982	1,038
Profit on sale of fixed assets	(19)	(41)
Taxation	441	389
Interest payable	86	58
Operating cash flows before movements in working capital	3,031	2,956
(Increase)/Decrease in stocks	(27)	34
Increase in debtors	(1,261)	(233)
Increase in creditors	542	65
Cash generated from operations	2,285	2,822

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

1. Principal accounting policies

(a) General Information

Meachers Group Investments Limited ("the Company") is a company limited by shares and domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is 19 Mauretania Road, Nursling Industrial Estate, Nursling, Southampton, SO16 0YS.

The Group consists of Meachers Group Investments Ltd and all of its subsidiaries.

The Company's and the Group's principal activity is the supply of logistics services.

(b) Basis of accounting

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise stated. The consolidated financial statements are presented in sterling which is also the functional currency of the company.

(c) Turnover

Turnover, which arises from one class of business, is recognised at the fair value of the consideration receivable for services provided and goods supplied, excluding value added tax. Turnover is recognised as services are provided.

(d) Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

Current tax is based on taxable profits for the period computed in accordance with current tax legislation. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply in the periods in which the asset or liability is settled based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax is not discounted.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

(e) **Going concern**

The directors have at the time of approving the financial statements, a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(f) **Tangible fixed assets**

Tangible fixed assets are stated at cost. Cost represents the purchase price plus any incidental costs of acquisition. Depreciation is provided on a straight line basis on all tangible fixed assets other than investment property at such rates as will write off the cost of the various assets over the period of their expected useful lives. The principal annual rates of depreciation used are as follows:

Leasehold land and buildings	- the term of the lease
Motor Vehicles	- 15 - 25% as appropriate
Plant & Equipment	- 15 - 50% as appropriate

(g) **Investment property**

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available. The fair value of land and buildings is considered to be their market value.

Material changes in fair value are recognised in profit or loss.

(h) **Stock**

Stock is stated at the lower of cost and net realisable value. Cost is determined on the basis of first-in, first-out, and represents purchase price.

(i) **Financial instruments**

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

Trade and other debtors, including accrued income, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at the amortised cost, being the transaction price less any amounts settled and any impairment losses.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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 Group after deducting all of its liabilities.

Trade and other creditors, including accruals, payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Own shares

The fair value of consideration given for shares repurchased by the Company is deducted from equity.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

(j) Basis of consolidation

The consolidated financial statements incorporate those of Meachers Global Logistics Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 May 2017.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

(k) Pension arrangements

The group contributes to defined contribution pension schemes. Employer pension contributions are charged to the profit and loss account as incurred. See also note 20.

(l) Leased assets

Assets acquired under lease purchase agreements are included in tangible fixed assets and depreciated in accordance with the policy referred to above. Unpaid capital is treated as a loan and shown under creditors. Interest is charged to the profit and loss account as incurred.

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

(m) Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

(n) Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairments losses are recognised immediately in profit or loss.

(o) Reduced disclosure

The company has taken advantage of the exemption from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:

Section 7 "Statement of Cash Flows" – Presentation of a Statement of Cash Flow and related notes and disclosures;

Section 33 "Related Party Disclosure" – Compensation for key management personnel.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

(p) **Critical accounting estimates and judgements**

Estimates and judgements 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 Group makes estimates and assumptions concerning the future.

The resulting accounting estimates and assumptions will by definition seldom equal the related actual results. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	2017 £000	2016 £000
2. Turnover		
An analysis of the geographical location of the Group's turnover is as follows:		
UK	24,596	23,084
Rest of the world	<u>1,503</u>	<u>1,917</u>
	<u>26,099</u>	<u>25,001</u>
	2017 £000	2016 £000
3. Administrative expenses		
Distribution and selling costs	1,306	1,247
Administration expenses	<u>1,809</u>	<u>1,759</u>
	<u>3,115</u>	<u>3,006</u>
	2017 £000	2016 £000
4. Profit on ordinary activities before taxation		
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Operating lease charges		
- plant and equipment	383	469
- land and buildings	1,405	1,288
Depreciation of and amounts written off fixed assets:		
Charge for period		
- tangible fixed assets	378	515
- tangible fixed assets under lease purchase agreements	604	523
- profit on disposal of fixed assets	(19)	(41)
Auditors' remuneration		
- for audit	27	24
Other operating income		
- property rental income	(31)	(16)

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	2017 £000	2016 £000
5. Interest payable and similar charges		
Interest payable on lease purchase agreements	49	46
Other interest payable	37	12
	<u>86</u>	<u>58</u>

	2017 £000	2016 £000
6. Employees		
Staff costs during the year:		
Wages and salaries	5,613	5,441
Social security costs	625	546
Other pension costs	<u>182</u>	<u>181</u>
	<u>6,420</u>	<u>6,168</u>

The average number of persons employed by the Group each week during the year was:

	2017 Number	2016 Number
Operations	140	144
Administration	<u>27</u>	<u>28</u>
	<u>167</u>	<u>172</u>

	2017 £000	2016 £000
Directors remuneration:		
Aggregate emoluments	<u>961</u>	<u>761</u>
Highest paid director:		
Aggregate emoluments	<u>321</u>	<u>237</u>

Retirement benefits are accruing to three directors (2016: three) under money purchase pension schemes.

Remuneration for key management personnel having authority and responsibility for planning, directing and controlling the activity of the group amounted to £1,511,552 (2016 £1,204,954).

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	2017 £000	2016 £000
7. Tax on profit on ordinary activities		
(a) Analysis of charge for the period		
U.K. corporation tax at 19.83% (2016: 20.00%)		
Current tax:		
U.K. corporation tax on profits of the period	451	385
Deferred tax:		
Origination and reversal of timing differences	(4)	15
Effect of decreased tax rate on opening liability	(6)	(11)
Total deferred tax (credit)/charge	(10)	4
Total tax on profit on ordinary activities	441	389

(b) Factors affecting the tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the U.K. The differences are explained below:

	2017 £000	2016 £000
Profit on ordinary activities before tax	1,982	1,901
Profit on ordinary activities multiplied by standard rate U.K. corporation tax of 19.83% (2016: 20.00%)	393	380
Effects of:		
Expenses not deductible for tax purposes	13	20
Fixed asset differences	40	1
Adjustment to opening deferred tax rate	12	-
Adjustment to closing deferred tax rate	(17)	(12)
Tax expense	441	389

(c) Factors that may affect future tax charges

Based upon current capital investment plans, the group expects depreciation to exceed capital allowances for the foreseeable future.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	<u>2017</u> <u>£000</u>	<u>2016</u> <u>£000</u>
8. Dividends payable on equity shares		
Paid - Ordinary shares	<u>700</u>	<u>500</u>

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	Leasehold land and buildings £000	Motor vehicles £000	Plant & equipment £000	Total £000
9. Tangible fixed assets				
Group and company				
Valuation or cost:				
At 1 June 2016	1,065	5,577	1,462	8,104
Additions	30	513	82	625
Disposals	-	(820)	(3)	(823)
At 31 May 2017	<u>1,095</u>	<u>5,270</u>	<u>1,541</u>	<u>7,906</u>
Depreciation:				
At 1 June 2016	987	2,299	1,354	4,640
Charge for year	10	931	41	982
Eliminated in respect of disposals	-	(568)	(3)	(571)
At 31 May 2017	<u>997</u>	<u>2,662</u>	<u>1,392</u>	<u>5,051</u>
Net book value:				
At 31 May 2017	<u>98</u>	<u>2,608</u>	<u>149</u>	<u>2,855</u>
At 31 May 2016	<u>78</u>	<u>3,278</u>	<u>108</u>	<u>3,464</u>

The net book value of tangible fixed assets includes an amount of £2,100,013 (2016: £2,325,391) in respect of assets held under lease purchase agreements.

Leasehold properties are held on short leases.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	Freehold investment property £000
10. Investment Properties	
Group and company	
Valuation or cost:	
At 1 June 2016	607
Additions	704
Disposals	<u>-</u>
At 31 May 2017	<u>1,311</u>
 Depreciation:	
At 1 June 2016	-
Charge for year	-
Eliminated in respect of disposals	<u>-</u>
At 31 May 2017	<u>-</u>
 Net book value:	
At 31 May 2017	<u>1,311</u>
At 31 May 2016	<u>607</u>

The investment property is being carried at the Directors' valuation which has been based on similar property transactions in the same geographical area. Market value is equivalent to historic cost.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	Other investments £000
11. Fixed asset investments	
Group	
Cost:	
At 1 June 2016 and 31 May 2017	<u>14</u>
Amounts written off:	
At 1 June 2016 and 31 May 2017	<u>-</u>
Net book value:	
At 31 May 2017	<u>14</u>
At 31 May 2016	<u>14</u>

The net book value of fixed asset investments relates to eight cherished number plates owned by the company.

	Subsidiary companies £000
Company	
Cost:	
At 1 June 2016 and 31 May 2017	<u>2,398</u>
Amounts written off:	
At 1 June 2016 and 31 May 2017	<u>-</u>
Net book value:	
At 31 May 2017	<u>2,398</u>
At 31 May 2016	<u>2,398</u>

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

11. Fixed asset investments (cont'd)

The companies in which Meachers Group Investments Limited holds more than 20% of the equity are set out below:

	<u>Status</u>	<u>Proportion held</u>
Subsidiary companies:		
Meachers Global Logistics Limited	Trading	100%
Write Law Limited	Dormant	100%
Oast (Agencies) Limited	Dormant	100%
Southampton Road Transport Limited	Dormant	100%

The registered office address for each of the subsidiary companies is Unit 19 Mauretania Road, Nursling Industrial Estate, Southampton, SO16 0YS.

The capital of each of the subsidiary companies above comprises ordinary shares only. All of the above companies are included in the consolidation. These investments are held via Meachers Global Logistics Ltd.

The dormant subsidiary companies have taken the exemption in Section 479A of the Companies Act 2006 from the requirement in the Act for their individual accounts to be audited.

Group		Company	
2017	2016	2017	2016
<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>

12. Capital commitments

Capital expenditure that has been contracted for but has not been provided for in the accounts

<u>666</u>	<u>101</u>	<u>666</u>	<u>101</u>
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MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	Group		Company	
	2017	2016	2017	2016
	£000	£000	£000	£000

13. Commitments under operating leases

At the end of the period the Group's total future minimum lease payments under non-cancellable operating leases as follows:

Land and buildings:

Expiring within 1 year	1,340	1,327	-	-
Expiring between 2 and 5 years	4,061	4,519	-	-
Expiring in 5 years or more	1,397	2,174	-	-
	<u>6,798</u>	<u>8,020</u>	<u>-</u>	<u>-</u>

Other:

Expiring within 1 year	126	133	-	-
Expiring between 2 and 5 years	244	360	-	-
Expiring in 5 years or more	-	10	-	-
	<u>370</u>	<u>503</u>	<u>-</u>	<u>-</u>

14. Stocks

Stocks comprise:

Fuel & Oil	<u>67</u>	<u>40</u>	<u>-</u>	<u>-</u>
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15. Debtors

Amounts falling due within one year:

Trade Debtors	5,018	3,912	-	-
Prepayments and accrued income	1,287	1,131	-	-
Other Debtors	<u>37</u>	<u>38</u>	<u>-</u>	<u>-</u>
	<u>6,342</u>	<u>5,081</u>	<u>-</u>	<u>-</u>

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	Group		Company	
	2017	2016	2017	2016
	£000	£000	£000	£000
16. Creditors				
Amounts falling due within one year:				
Lease purchase agreements	678	640	-	-
Bank loans	759	240	-	-
Payments received on account	100	100	-	-
Trade creditors	1,256	1,226	-	-
Corporation tax	219	385	-	-
Other taxation and social security payable	878	675	-	-
Other creditors	49	38	-	-
Accruals and deferred income	<u>1,662</u>	<u>1,363</u>	<u>-</u>	<u>-</u>
	<u>5,601</u>	<u>4,667</u>	<u>-</u>	<u>-</u>

The payment on account represents a customer deposit held in respect of a guarantee in the company name dated 24th December 2001 in favour of HM Revenue and Customs.

A five year bank loan commenced on 22nd June 2015. The loan bears interest at a fixed rate above the Bank of England interest base rate and is repaid monthly. The lender reserves the right under the agreement to demand the immediate repayment of the loan and therefore the total amount repayable is treated as being due within one year.

Amounts falling due after one year:

Lease purchase agreements	951	1,322	-	-
Bank loans	<u>-</u>	<u>740</u>	<u>-</u>	<u>-</u>
	<u>951</u>	<u>2,062</u>	<u>-</u>	<u>-</u>

All lease purchase agreements are secured against specific vehicles or equipment and fall due within five years of the balance sheet date.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

	2017 £000	2016 £000
17. Deferred taxation		
Group		
Provision at end of period:		
Capital allowances in excess of depreciation	105	112
Short term timing differences	(3)	-
Deferred tax liability	102	112
Adjustment to provision:		
At start of period	112	108
Transfer to profit and loss account for the period (note 7)	(10)	4
At end of period	102	112
	2017 £000	2016 £000
18. Called-up share capital		
Allotted, called up and fully paid: 55,714 ordinary shares of £1 each	56	56

19. Reserves

Reserves of the Group and company represent the following:

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

MEACHERS GROUP INVESTMENTS LIMITED

Notes to the Accounts

Capital redemption reserve

Non-distributable reserve representing the company's shares that have been redeemed or purchased wholly out of company's profits.

Purchase of own shares

The Company is authorised to purchase its own shares by its Articles of Association and approval by the shareholders at the Annual General Meeting.

20. Pension arrangements

The group contributes to a company sponsored money purchase group personal pension scheme for eligible employees who choose to participate. The group also contributes to a small self-administered contributory money purchase personal pension scheme for one employee. For both schemes, the personal funds available at retirement are not guaranteed and can be used to purchase an annuity or alternatively be part cashed.

The total pension cost for the group is disclosed in note 6.

21. Related Party Transactions

During the year dividends of £700,000 were paid to directors.

During the year the group purchased a property from a Director for £660,000. This was an amount equal to the current market value of the property at the time of the purchase.

22. Control

The ultimate controlling party is considered to be R.T. Terris due to his ownership of the majority of the share capital of the company.

MEACHERS GROUP INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES

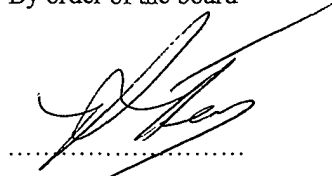
The directors are responsible for preparing the Directors' Report, Strategic Report and financial statements in accordance with applicable law and regulations.

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 group and company and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

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

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

By order of the board



R.T. Terris

Director

MEACHERS GROUP INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEACHERS GROUP INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

Opinion on financial statements

We have audited the group and parent company financial statements (the "financial statements") on pages 4 to 26. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 2017 and of the group's 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.

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 <http://www.frc.org.uk/auditscopeukprivate>

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 and, based on the work undertaken in the course of our audit, the Strategic report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 27, 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.

MEACHERS GROUP INVESTMENTS LIMITED

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.

RSM UK Audit LLP
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Paul Anthony (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY

Date: *17 October 2017*