

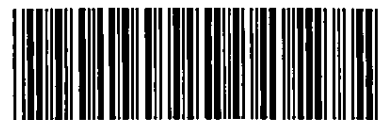
COMPANY REGISTRATION NUMBER 03410368

**HEAVYWEIGHT AIR EXPRESS LIMITED**

**ABBREVIATED ACCOUNTS**

**30 JUNE 2007**

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# HEAVYWEIGHT AIR EXPRESS LIMITED

## ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

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# HEAVYWEIGHT AIR EXPRESS LIMITED

## OFFICERS AND PROFESSIONAL ADVISERS

### **The board of directors**

M Sweeney Esq  
C White Esq  
R Thackeray Esq  
C F Neat Esq

### **Company secretary**

C White Esq

### **Registered office**

3 Cygnus Court  
Beverley Road  
East Midlands Airport  
Derbyshire  
DE74 2SA

### **Auditor**

Keens Shay Keens MK  
Chartered Accountants  
& Registered Auditors  
Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

### **Bankers**

Allied Irish Bank  
Nottingham

### **Solicitors**

Berryman Shacklock  
Nottingham

# HEAVYWEIGHT AIR EXPRESS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2007

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year continued to be that of the provision of freight placement services within the aviation industry

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £787,461. Particulars of dividends paid are detailed in note 9 to the financial statements

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) the financial risk management objectives and policies of the company including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and

b) the exposure of the company to price risk, credit risk, liquidity risk and cash flow risk,

unless such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

### DIRECTORS

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

C E Chapman Esq  
M Sweeney Esq  
C White Esq  
Ms C A Norman

C E Chapman Esq retired as a director on 26 February 2007

Ms C A Norman retired as a director on 26 February 2007

R Thackeray Esq was appointed as a director on 1 July 2007

C F Neat Esq was appointed as a director on 1 July 2007

### DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 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 company will continue in business

# HEAVYWEIGHT AIR EXPRESS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2007

The directors are responsible for keeping proper accounting records that 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 1985. 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.

In so far as the directors are aware

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

### AUDITOR

A resolution to re-appoint Keens Shay Keens MK as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



C WHITE ESQ  
Company Secretary

Approved by the directors on 23/07/2008

**HEAVYWEIGHT AIR EXPRESS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO HEAVYWEIGHT AIR**  
**EXPRESS LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts, together with the financial statements of Heavyweight Air Express Limited for the year ended 30 June 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

**BASIS OF OPINION**


We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

29/07/2008



KEENS SHAY KEENS MK  
Chartered Accountants  
& Registered Auditors

**HEAVYWEIGHT AIR EXPRESS LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2007**

	Note	2007 £	2006 £
<b>GROSS PROFIT</b>		<b>4,273,491</b>	3,502,071
Administrative expenses		<b>(2,953,233)</b>	(3,083,179)
<b>OPERATING PROFIT</b>	<b>2</b>	<b>1,320,258</b>	418,892
Interest receivable	<b>5</b>	<b>9,763</b>	20,305
Amounts written off investments	<b>6</b>	<b>(177,189)</b>	–
Interest payable and similar charges	<b>7</b>	<b>(2,261)</b>	–
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,150,571</b>	439,197
Tax on profit on ordinary activities	<b>8</b>	<b>(363,110)</b>	(466,876)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>787,461</b>	(27,679)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

The notes on pages 8 to 17 form part of these abbreviated accounts

# HEAVYWEIGHT AIR EXPRESS LIMITED

## ABBREVIATED BALANCE SHEET

30 JUNE 2007

	Note	2007 £	£	2006 £	£
<b>FIXED ASSETS</b>					
Tangible assets	10		797,831		797,850
Investments	11		29		29
			<u>797,860</u>		<u>797,879</u>
<b>CURRENT ASSETS</b>					
Debtors	12	4,283,972		5,795,775	
Cash at bank		<u>203,769</u>		<u>479,182</u>	
		4,487,741		6,274,957	
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>4,290,827</u>		<u>4,715,523</u>	
<b>NET CURRENT ASSETS</b>			<u>196,914</u>		<u>1,559,434</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>994,774</u>		<u>2,357,313</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred taxation	15		<u>1,801</u>		<u>1,801</u>
			<u>992,973</u>		<u>2,355,512</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	18		20,000		20,000
Revaluation reserve			45,000		45,000
Profit and loss account	19		<u>927,973</u>		<u>2,290,512</u>
<b>SHAREHOLDER'S FUNDS</b>	20		<u>992,973</u>		<u>2,355,512</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 23/07/2008, and are signed on their behalf by

M SWEENEY ESQ

C WHITE ESQ

The notes on pages 8 to 17 form part of these abbreviated accounts



**HEAVYWEIGHT AIR EXPRESS LIMITED****CASH FLOW STATEMENT****YEAR ENDED 30 JUNE 2007**

	Note	2007 £	£	2006 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	21		2,450,489		657,058
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	21		7,502		20,305
TAXATION	21		(289,476)		(482,434)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	21		(147,094)		(158,553)
EQUITY DIVIDENDS PAID			(2,150,000)		—
CASH (OUTFLOW)/INFLOW BEFORE FINANCING			(128,579)		36,376
FINANCING	21		(177,188)		—
(DECREASE)/INCREASE IN CASH	21		(305,767)		36,376

The notes on pages 8 to 17 form part of these abbreviated accounts

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, subject to the departures referred to below

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

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

Freehold Property	- 2% straight line
Leasehold Property	- 50% straight line
Fixtures & Fittings	- 50% straight line
Motor Vehicles	- 50% straight line

#### **Investment properties**

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surpluses or deficits on revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not charged in respect of freehold investment properties

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 1. ACCOUNTING POLICIES *(continued)*

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### Foreign currencies

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

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

### 2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2007 £	2006 £
Depreciation of owned fixed assets	148,538	44,912
Profit on disposal of fixed assets	(1,425)	(1,650)
Auditor's remuneration		
- as auditor	6,000	6,000
Operating lease costs		
Other	67,828	66,724
Net loss on foreign currency translation	<u>16,155</u>	<u>656</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2007 No	2006 No
Number of administrative staff	61	53
Number of management staff	3	4
	<u>64</u>	<u>57</u>

The aggregate payroll costs of the above were

	2007 £	2006 £
Wages and salaries	1,233,912	1,555,190
Social security costs	189,557	158,191
Other pension costs	34,339	26,966
Pensions paid to former employees	-	107,000
	<u>1,457,808</u>	<u>1,847,347</u>

### 4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2007 £	2006 £
Aggregate emoluments	220,668	429,954
Value of company pension contributions to defined contribution schemes	-	107,000
	<u>220,668</u>	<u>536,954</u>

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

	2007 No	2006 No
Money purchase schemes	3	3

### 5. INTEREST RECEIVABLE

	2007 £	2006 £
Bank interest receivable	5,004	12,272
Other interest	4,759	8,033
	<u>9,763</u>	<u>20,305</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 6. AMOUNTS WRITTEN OFF INVESTMENTS

	2007 £	2006 £
Amount written off investments	<u>177,189</u>	<u>-</u>

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Other similar charges payable	<u>2,261</u>	<u>-</u>

### 8. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 30% (2006 - 30%)	358,567	163,690
Over/under provision in prior year	<u>4,543</u>	<u>(23,615)</u>
	363,110	140,075
Taxation settlement	<u>-</u>	<u>325,000</u>
Total current tax	363,110	465,075
Deferred tax		
Origination and reversal of timing differences (note 15)		
Capital allowances	<u>-</u>	<u>1,801</u>
Tax on profit on ordinary activities	<u>363,110</u>	<u>466,876</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 8. TAXATION ON ORDINARY ACTIVITIES *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>1,150,571</u>	<u>439,197</u>
Profit on ordinary activities by rate of tax	345,171	131,759
Depreciation in excess/(less than) capital allowances	21,646	(1,877)
Disallowed and restricted expenses	34,095	47,544
Group relief (claimed)/surrendered	(41,917)	(13,736)
Profit on sale of assets	(428)	-
Under provision in previous year	4,543	(23,615)
Taxation settlement	-	325,000
Total current tax (note 8(a))	<u>363,110</u>	<u>465,075</u>

### 9. DIVIDENDS

#### Equity dividends

	2007 £	2006 £
Paid		
Equity dividends on ordinary shares	<u>2,150,000</u>	<u>-</u>

### 10. TANGIBLE FIXED ASSETS

	Freehold & Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST OR VALUATION</b>				
At 1 July 2006	690,971	423,374	25,000	1,139,345
Additions	-	148,519	-	148,519
Disposals	(12,751)	-	-	(12,751)
<b>At 30 June 2007</b>	<u>678,220</u>	<u>571,893</u>	<u>25,000</u>	<u>1,275,113</u>
<b>DEPRECIATION</b>				
At 1 July 2006	13,017	307,645	20,833	341,495
Charge for the year	18,396	125,975	4,167	148,538
On disposals	(12,751)	-	-	(12,751)
<b>At 30 June 2007</b>	<u>18,662</u>	<u>433,620</u>	<u>25,000</u>	<u>477,282</u>
<b>NET BOOK VALUE</b>				
<b>At 30 June 2007</b>	<u>659,558</u>	<u>138,273</u>	<u>-</u>	<u>797,831</u>
At 30 June 2006	<u>677,954</u>	<u>115,729</u>	<u>4,167</u>	<u>797,850</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 10. TANGIBLE FIXED ASSETS *(continued)*

Included in the net book value of £797,831 (2006 £797,850) is £395,020 (2006 £395,020) of freehold investment property held in trust by the Westbush Group Limited Employee Trust

The property at The Old Chapel, Belton was revalued to £245,000 on 5 May 2004 by Freeman & Mitchell, Nottingham. The original cost was £200,000

### 11. INVESTMENTS

#### Fixed asset investments

	£
<b>COST</b>	
At 1 July 2006 and 30 June 2007	<u>29</u>
<b>NET BOOK VALUE</b>	
At 30 June 2007	<u>29</u>
At 30 June 2006	<u>29</u>

The company owns 100% of the issued share capital of the companies listed below

#### Aggregate capital and reserves

Heavyweight Air Express Limited (Inc Ireland)	1,013,292	751,177
Ikon com Limited	(1,298)	(1,020)
Belfast Airport Handling Limited	43,743	(19,226)

#### Profit and (loss) for the year

Heavyweight Air Express Limited (Inc Ireland)	114,294	120,420
Ikon com Limited	(278)	(178)
Belfast Airport Handling Limited	62,969	12,647

The company owns 26% of the share capital of Cargo Link Distribution Services Limited, a company incorporated in England

The company also owns 24.5% of the share capital of Trucklink EU Limited, a company incorporated in England

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 12. DEBTORS

	2007 £	2006 £
Trade debtors	2,395,490	2,871,494
Amounts owed by group undertakings	961,808	1,317,333
Other debtors	704,759	888,120
Directors current accounts	106,734	327,743
Prepayments and accrued income	115,181	391,085
	<u>4,283,972</u>	<u>5,795,775</u>

Included in other debtors is an amount of £490,000 (2006 - £490,000) held in trust by the Westbush Group Limited Employee Trust as loans to beneficiaries of that trust

### 13 CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Overdrafts	30,355	-
Trade creditors	2,285,674	3,012,194
Amounts owed to group undertakings	470,152	562,187
Corporation tax	345,367	271,733
PAYE and social security	43,756	44,604
VAT	263,730	379,756
Other creditors	618,990	26,819
Accruals and deferred income	232,803	418,230
	<u>4,290,827</u>	<u>4,715,523</u>

### 14. PENSIONS

The company paid a total of £34,339 (2006 £133,996) into a defined contribution pension scheme

### 15 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	1,801	-
Profit and loss account movement arising during the year	-	1,801
Provision carried forward	<u>1,801</u>	<u>1,801</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	1,801	1,801
	<u>1,801</u>	<u>1,801</u>



# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 16. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	12,854	-	40,466
Within 2 to 5 years	94,000	50,989	94,000	43,472
After more than 5 years	69,000	-	69,000	-
	<u>163,000</u>	<u>63,843</u>	<u>163,000</u>	<u>83,938</u>

### 17. RELATED PARTY TRANSACTIONS

The company has entered into transactions in the normal course of business with members of the HAE Group Limited group. These transactions, have been executed at arms length.

### 18. SHARE CAPITAL

#### Authorised share capital

	2007 £	2006 £
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

#### Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

### 19. PROFIT AND LOSS ACCOUNT

	2007 £	2006 £
Balance brought forward	2,290,512	2,318,191
Profit/(loss) for the financial year	787,461	(27,679)
Equity dividends	(2,150,000)	-
Balance carried forward	<u>927,973</u>	<u>2,290,512</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2007 £	2006 £
Profit/(Loss) for the financial year	787,461	(27,679)
Equity dividends	(2,150,000)	—
Net reduction to shareholder's funds	(1,362,539)	(27,679)
Opening shareholder's funds	2,355,512	2,383,191
Closing shareholder's funds	<u>992,973</u>	<u>2,355,512</u>

### 21. NOTES TO THE STATEMENT OF CASH FLOWS

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit	1,320,258	418,892
Depreciation	148,538	44,912
Profit on disposal of fixed assets	(1,425)	(1,650)
Decrease/(increase) in debtors	1,511,803	(282,479)
(Decrease)/increase in creditors	(528,685)	477,383
Net cash inflow from operating activities	<u>2,450,489</u>	<u>657,058</u>

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2007 £	2006 £
Interest received	9,763	20,305
Interest paid	(2,261)	—
Net cash inflow from returns on investments and servicing of finance	<u>7,502</u>	<u>20,305</u>

#### TAXATION

	2007 £	2006 £
Taxation	(289,476)	(482,434)

#### CAPITAL EXPENDITURE

	2007 £	2006 £
Payments to acquire tangible fixed assets	(148,519)	(161,854)
Receipts from sale of fixed assets	1,425	3,301
Net cash outflow from capital expenditure	<u>(147,094)</u>	<u>(158,553)</u>

# HEAVYWEIGHT AIR EXPRESS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2007

### 21. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### FINANCING

	2007 £	2006 £
Repayment of long-term amounts owed to group undertakings	(177,188)	—
Net cash outflow from financing	<u>(177,188)</u>	<u>—</u>

#### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2007 £	2006 £
(Decrease)/Increase in cash in the period	(305,767)	36,376
Movement in net funds in the period	<u>(305,767)</u>	<u>36,376</u>
Net funds at 1 July 2006	479,182	442,806
Net funds at 30 June 2007	<u>173,414</u>	<u>479,182</u>

#### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jul 2006 £	Cash flows £	At 30 Jun 2007 £
Net cash			
Cash in hand and at bank	479,182	(275,413)	203,769
Overdrafts	—	(30,355)	(30,355)
	<u>479,182</u>	<u>(305,768)</u>	<u>173,414</u>
Net funds	<u>479,182</u>	<u>(305,768)</u>	<u>173,414</u>

### 22 ULTIMATE PARENT COMPANY

The Company's ultimate parent company was Westbush Limited upto the 26 February 2007, at which point HAE Group Limited, a company registered in England and Wales, became the ultimate parent company