

COMPANY REGISTRATION NUMBER 03410368

HEAVYWEIGHT AIR EXPRESS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2015

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HEAVYWEIGHT AIR EXPRESS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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HEAVYWEIGHT AIR EXPRESS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr R Thackeray
Mr M Sweeney
Mr C White
Mr N Karai

Company secretary

Mr C White

Registered office

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

Auditor

Keens Shay Keens MK LLP
Chartered Accountants
& Statutory Auditor
Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

Bankers

Lloyds TSB Bank Plc

Solicitors

Shakespeares
Nottingham

HEAVYWEIGHT AIR EXPRESS LIMITED

STRATEGIC REPORT

YEAR ENDED 30 JUNE 2015

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's main activity is the provision of wholesaling services to UK freight forwarders and parcel carriers.

Both the level of business and the year end financial performance in the UK were as expected in light of the current difficult trading conditions.

Business review and future developments

The business has performed as expected given the current market condition which has led to significant pressure on margins from both airlines and customers.

Business activity has been maintained in the first half of the 2015/16 financial year but there is still significant pressure on margins

Key Performance Indicators

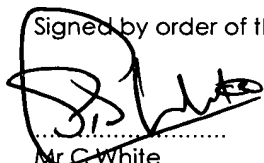
HAE monitors a number of key performance indicators (KPI's) to help achieve key business objectives as follows:

	2015	2014
	£	£
Total bookings	22,419	27,110
Total tonnage	26,043	26,001

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks facing HAE are discussed in the Directors report of HAE Global Limited, the ultimate parent company.

Signed by order of the directors



Mr C White

Company Secretary

Approved by the directors on 19/01/2016

HEAVYWEIGHT AIR EXPRESS LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2015

The directors present their report and the financial statements of the company for the year ended 30 June 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,648,184. The directors have not recommended a dividend.

DIRECTORS

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

Mr R Thackeray
Mr M Sweeney
Mr C White
Mr N Karai

Mr N Karai was appointed as a director on 5 March 2015.

DIRECTORS' RESPONSIBILITIES

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

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

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

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

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.

STRATEGIC REPORT

A review of business and the principal risks and uncertainties facing the business can be found in the Strategic Report within these financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2015

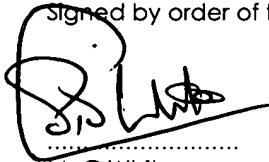
AUDITOR

Keens Shay Keens MK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

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

Signed by order of the directors



Mr C White

Company Secretary

Approved by the directors on 19/01/2016

HEAVYWEIGHT AIR EXPRESS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF HEAVYWEIGHT AIR EXPRESS LIMITED

YEAR ENDED 30 JUNE 2015

We have audited the financial statements of Heavyweight Air Express Limited for the year ended 30 June 2015. 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 shareholder, 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 shareholder 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 shareholder 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 set out on page 3, 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2015 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
HEAVYWEIGHT AIR EXPRESS LIMITED *(continued)*

YEAR ENDED 30 JUNE 2015

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.



MARK RAYNER FCA
(Senior Statutory Auditor)
For and on behalf of
KEENS SHAY KEENS MK LLP
Chartered Accountants
& Statutory Auditor

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

30/03/2016

HEAVYWEIGHT AIR EXPRESS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2015

	Note	2015 £	2014 £
TURNOVER	2	15,216,406	15,218,230
Cost of sales		(11,253,935)	(11,366,174)
GROSS PROFIT		3,962,471	3,852,056
Administrative expenses		(2,155,581)	(1,896,021)
Other operating income	3	140,898	12,834
OPERATING PROFIT	4	1,947,788	1,968,869
Interest receivable	7	17,247	9,837
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,965,035	1,978,706
Tax on profit on ordinary activities	8	(316,851)	(388,402)
PROFIT FOR THE FINANCIAL YEAR		1,648,184	1,590,304

All of the activities of the company are classed as continuing.

The notes on pages 11 to 20 form part of these financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30 JUNE 2015

	2015	2014
	£	£
Profit for the financial year attributable to the shareholder	1,648,184	1,590,304
Unrealised profit on revaluation of certain fixed assets	68,000	–
Total gains and losses recognised since the last annual report	<u>1,716,184</u>	<u>1,590,304</u>

The notes on pages 11 to 20 form part of these financial statements.

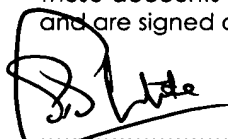
HEAVYWEIGHT AIR EXPRESS LIMITED

BALANCE SHEET

30 JUNE 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	9	1,001,688	910,005
Investments	10	692,192	692,192
		<u>1,693,880</u>	<u>1,602,197</u>
CURRENT ASSETS			
Debtors	11	10,788,996	9,883,706
Cash at bank		28,151	25,658
		<u>10,817,147</u>	<u>9,909,364</u>
CREDITORS: Amounts falling due within one year	12	<u>3,339,276</u>	<u>4,016,846</u>
NET CURRENT ASSETS		<u>7,477,871</u>	<u>5,892,518</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,171,751</u>	<u>7,494,715</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	14	-	39,148
		<u>9,171,751</u>	<u>7,455,567</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	20,000	20,000
Revaluation reserve	19	113,000	45,000
Profit and loss account	20	9,038,751	7,390,567
SHAREHOLDER'S FUNDS	21	<u>9,171,751</u>	<u>7,455,567</u>

These accounts were approved by the directors and authorised for issue on 19/6/2015 and are signed on their behalf by:


Mr C White


Mr N Karai

Company Registration Number: 03410368

The notes on pages 11 to 20 form part of these financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2015

		2015	2014
	Note	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	22	634,801	44,693
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	22	17,247	66,403
TAXATION	22	(601,263)	(117,018)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	22	(48,292)	(6,226)
ACQUISITIONS AND DISPOSALS	22	–	16,573
INCREASE IN CASH	22	<u>2,493</u>	<u>4,425</u>

The notes on pages 11 to 20 form part of these financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated 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.

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:

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES *(continued)*

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. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. OTHER OPERATING INCOME

	2015	2014
	£	£
Rent receivable	6,994	6,834
Management charges receivable	133,904	6,000
	<u>140,898</u>	<u>12,834</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of owned fixed assets	24,609	33,853
Profit on disposal of fixed assets	–	(954)
Auditor's remuneration		
- as auditor	13,900	20,679
- for other services	2,808	2,108
Operating lease costs:		
- Other	136,568	126,888
Net profit on foreign currency translation	<u>(10,542)</u>	<u>(35,674)</u>

5. PARTICULARS OF EMPLOYEES

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

	2015 No	2014 No
Number of administrative staff	73	70
Number of management staff	2	3
	<u>75</u>	<u>73</u>

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	1,567,589	1,406,385
Social security costs	188,203	108,684
Pension and life insurance costs	52,046	30,669
Health insurance costs	10,974	9,251
	<u>1,818,812</u>	<u>1,554,989</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Aggregate remuneration	302,033	412,074
Value of company pension contributions to defined contribution schemes	847	–
	<u>302,880</u>	<u>412,074</u>

Remuneration of highest paid director:

	2015 £	2014 £
Total remuneration (excluding pension contributions)	<u>144,675</u>	<u>141,227</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

6. DIRECTORS' REMUNERATION *(continued)*

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

	2015 No	2014 No
Money purchase schemes	<u>1</u>	<u>-</u>

7. INTEREST RECEIVABLE

	2015 £	2014 £
Bank interest receivable	<u>17,247</u>	<u>9,837</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015 £	2014 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2014 - 23%)	355,999	388,405
Over/under provision in prior year	<u>-</u>	<u>(3)</u>
Total current tax	<u>355,999</u>	<u>388,402</u>
Deferred tax:		
Origination and reversal of timing differences		
Capital allowances	<u>(39,148)</u>	<u>-</u>
Tax on profit on ordinary activities	<u>316,851</u>	<u>388,402</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2014 - 23%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>1,965,035</u>	<u>1,978,706</u>
Profit on ordinary activities by rate of tax	393,007	455,102
Depreciation in excess/(less than) capital allowances	(8,509)	(6,576)
Disallowed and restricted expenses	22,953	14,999
Group relief (claimed)/surrendered	(64,331)	(65,528)
Change in tax rate	<u>12,879</u>	<u>(9,595)</u>
Total current tax (note 8(a))	<u>355,999</u>	<u>388,402</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

9. TANGIBLE FIXED ASSETS

	Freehold & Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST OR VALUATION				
At 1 July 2014	936,266	496,181	63,973	1,496,420
Additions	–	47,017	1,275	48,292
Revaluation	68,000	–	–	68,000
At 30 June 2015	1,004,266	543,198	65,248	1,612,712
DEPRECIATION				
At 1 July 2014	38,466	483,976	63,973	586,415
Charge for the year	–	24,078	531	24,609
At 30 June 2015	38,466	508,054	64,504	611,024
NET BOOK VALUE				
At 30 June 2015	965,800	35,144	744	1,001,688
At 30 June 2014	897,800	12,205	–	910,005

Included in the net book value of £965,800 (2014: £897,800) is £652,800 (2014: £652,800) of freehold investment property held in trust by the Westbush Group Limited Employee Trust.

The property at The Old Chapel, Belton was valued at £313,000 on 30 June 2015, an average of three independent valuations by local firms. The original cost of the property was £200,000.

10. INVESTMENTS

	Group companies £
COST OR VALUATION	
At 1 July 2014 and 30 June 2015	692,192
NET BOOK VALUE	
At 30 June 2015 and 30 June 2014	692,192

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

10. INVESTMENTS (continued)

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

Aggregate capital and reserves

Heavyweight Air Express Limited (Inc. Ireland)	1,274,797	1,344,131
lkon.com Limited	–	–
Air Liaison Limited	264,994	287,760
Heavyweight Air Express FZE (Dubai)	1,772,896	1,600,120

Profit and (loss) for the year

Heavyweight Air Express Limited (Inc Ireland)	82,888	2,748
lkon.com Limited	–	–
Air Liaison Limited	(22,766)	68,231
Heavyweight Air Express FZE (Dubai)	41,044	423,207

The company also owns 100% of the share capital of HAE Hong Kong Limited a dormant company incorporated in Hong Kong, 50% of Heavyweight Air Express FZCO, a company incorporated in Dubai and 24.5% of the share capital of Trucklink.EU Limited, a company incorporated in England and Wales.

Under the provision of section 399 of the Companies Act 2006 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.

11. DEBTORS

	2015 £	2014 £
Trade debtors	1,405,195	1,437,740
Amounts owed by group undertakings	7,309,364	6,226,095
Amounts owed by associates	107,870	234,916
Loans from EBT	815,000	815,000
Other debtors	582,326	775,283
Directors current accounts	357,321	204,527
Prepayments and accrued income	211,920	190,145
	<u>10,788,996</u>	<u>9,883,706</u>

Included in the above is an amount of £815,000 (2014: £815,000) held in trust by the Westbush Group Limited Employee Trust as loans to beneficiaries of that trust.

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

12. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,459,554	2,265,888
Amounts owed to group undertakings	929,549	406,813
Amounts owed to associates	13,872	393,263
Corporation tax	35,035	280,299
PAYE and social security	68,693	64,154
VAT	501,622	514,958
Other creditors	12,579	24,355
Accruals and deferred income	318,372	67,116
	<u>3,339,276</u>	<u>4,016,846</u>

13. PENSIONS

The company paid a total of £39,571 (2014: £26,284) into a defined contribution pension scheme.

14. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2015 £	2014 £
Provision brought forward	39,148	39,148
Profit and loss account movement arising during the year	(39,148)	-
Provision carried forward	<u>-</u>	<u>39,148</u>

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

	2015 £	2014 £
Excess of taxation allowances over depreciation on fixed assets	-	39,148
	<u>-</u>	<u>39,148</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as set out below.

	2015		2014	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	-	67,925	25,293
Within 2 to 5 years	85,000	33,020	85,000	33,020
After more than 5 years	69,000	-	69,000	-
	<u>154,000</u>	<u>33,020</u>	<u>221,925</u>	<u>58,313</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

16. TRANSACTIONS WITH THE DIRECTORS

Included within debtors are balances owing to the company from its directors totalling £357,321 (2014: £204,527). Total advances and creditors on individual directors' loan accounts during the year were as follows:

	Advances £	Credits £	Balance £
M Sweeney	146,913	107,016	146,913
R Thackeray	6,860	21,310	35,899
C White	17,626	5,041	59,746
N Karai	115,763	1,000	114,763

17. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 not to disclose transactions with its fellow group undertakings where 100% of the voting rights are controlled within the group, on the grounds that consolidated financial statements are prepared by the ultimate parent undertaking and are publicly available.

18. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

19. REVALUATION RESERVE

	2015 £	2014 £
Balance brought forward	45,000	45,000
Revaluation of fixed assets	<u>68,000</u>	<u>-</u>
Balance carried forward	<u>113,000</u>	<u>45,000</u>

20. PROFIT AND LOSS ACCOUNT

	2015 £	2014 £
Balance brought forward	7,390,567	5,800,263
Profit for the financial year	<u>1,648,184</u>	<u>1,590,304</u>
Balance carried forward	<u>9,038,751</u>	<u>7,390,567</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2015 £	2014 £
Profit for the financial year	1,648,184	1,590,304
Other net recognised gains and losses	68,000	–
Net addition to shareholder's funds	1,716,184	1,590,304
Opening shareholder's funds	7,455,567	5,865,263
Closing shareholder's funds	9,171,751	7,455,567

22. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	1,947,788	1,968,869
Depreciation	24,609	33,853
Profit on disposal of fixed assets	–	(954)
Increase in debtors	(905,290)	(1,869,122)
Decrease in creditors	(432,306)	(87,953)
Net cash inflow from operating activities	634,801	44,693

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015 £	2014 £
Interest received	17,247	66,403
Net cash inflow from returns on investments and servicing of finance	17,247	66,403

TAXATION

	2015 £	2014 £
Taxation	(601,263)	(117,018)

CAPITAL EXPENDITURE

	2015 £	2014 £
Payments to acquire tangible fixed assets	(48,292)	(43,926)
Receipts from sale of fixed assets	–	37,700
Net cash outflow from capital expenditure	(48,292)	(6,226)

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

22. NOTES TO THE CASH FLOW STATEMENT *(continued)*

ACQUISITIONS AND DISPOSALS

	2015 £	2014 £
Acquisition of shares in group undertakings	-	16,573
Net cash inflow from acquisitions and disposals	-	16,573

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2015 £	2014 £
Increase in cash in the period	2,493	4,425
	2,493	4,425
Change in net funds	2,493	4,425
Net funds at 1 July 2014	25,658	21,233
Net funds at 30 June 2015	28,151	25,658

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jul 2014 £	Cash flows £	At 30 Jun 2015 £
Net cash:			
Cash in hand and at bank	25,658	2,493	28,151
Net funds	25,658	2,493	28,151

23. ULTIMATE PARENT COMPANY

The immediate parent company is HAE Group Limited, a company registered in England and Wales. The ultimate parent company is HAE Global Limited, a company also registered in England and Wales.