

COMPANY REGISTRATION NUMBER: 03410368

HEAVYWEIGHT AIR EXPRESS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2016



HEAVYWEIGHT AIR EXPRESS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

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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 accountant & 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 2016

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. Profit before tax amounts to £642,524 (2015 £1,965,035). The Directors do not recommend the payment of a dividend (2015 £nil).

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 2016/17 financial year but there is still significant pressure on margins.

Key Performance Indicators

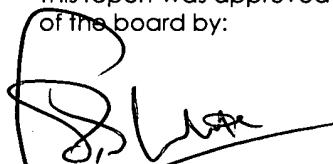
HAE monitors a number of key performance indicators (KPI's) to help achieve key business objectives as follows:

	2016 £	2015 £
Total bookings	19,174	22,419
Total tonnage	24,208	26,043

Principal risks and uncertainties

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

This report was approved by the board of directors on 07/02/2017 and signed on behalf of the board by:


Mr C White
Company Secretary

HEAVYWEIGHT AIR EXPRESS LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2016

The directors present their report and the financial statements of the company for the year ended 30 June 2016.

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

Dividends

The directors do not recommend the payment of a dividend.

Disclosure of information in the 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.

Directors' responsibilities statement

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 the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

HEAVYWEIGHT AIR EXPRESS LIMITED

DIRECTORS' REPORT *(continued)*

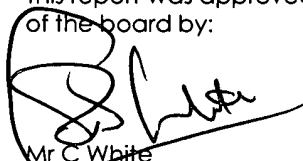
YEAR ENDED 30 JUNE 2016

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

This report was approved by the board of directors on 01/02/2017 and signed on behalf of the board by:


Mr C White
Company Secretary

HEAVYWEIGHT AIR EXPRESS LIMITED

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

YEAR ENDED 30 JUNE 2016

We have audited the financial statements of Heavyweight Air Express Limited for the year ended 30 June 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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".

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 strategic report and the directors' 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 2016 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.

HEAVYWEIGHT AIR EXPRESS LIMITED

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

YEAR ENDED 30 JUNE 2016

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.

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.



M Rayner FCA (Senior Statutory Auditor)

For and on behalf of
Keens Shay Keens MK LLP
Chartered accountant & statutory auditor
Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

28/3/2017.....

HEAVYWEIGHT AIR EXPRESS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2016

	Note	2016 £	2015 £
TURNOVER	4	14,381,686	15,216,406
Cost of sales		(10,489,475)	(11,253,935)
GROSS PROFIT		3,892,211	3,962,471
Administrative expenses		(3,284,163)	(2,155,581)
Other operating income	5	28,074	140,898
OPERATING PROFIT	6	636,122	1,947,788
Other interest receivable and similar income	10	6,402	17,247
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		642,524	1,965,035
Tax on profit on ordinary activities	11	(144,678)	(316,851)
PROFIT FOR THE FINANCIAL YEAR		497,846	1,648,184
Revaluation of tangible assets		-	68,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		497,846	1,716,184

All the activities of the company are from continuing operations.

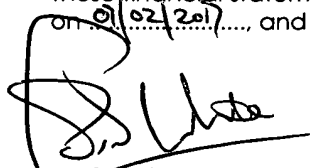
The notes on pages 11 to 20 form part of these financial statements.

HEAVYWEIGHT AIR EXPRESS LIMITED

STATEMENT OF FINANCIAL POSITION

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	12	1,026,149	1,001,688
Investments	13	692,192	692,192
		<u>1,718,341</u>	<u>1,693,880</u>
CURRENT ASSETS			
Debtors	14	10,540,354	10,788,996
Cash at bank and in hand		15,970	28,151
		<u>10,556,324</u>	<u>10,817,147</u>
CREDITORS: amounts falling due within one year	16	<u>2,605,068</u>	<u>3,339,276</u>
NET CURRENT ASSETS		<u>7,951,256</u>	<u>7,477,871</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,669,597</u>	<u>9,171,751</u>
NET ASSETS		<u>9,669,597</u>	<u>9,171,751</u>
CAPITAL AND RESERVES			
Called up share capital	18	20,000	20,000
Revaluation reserve	19	113,000	113,000
Profit and loss account	19	9,536,597	9,038,751
MEMBER FUNDS		<u>9,669,597</u>	<u>9,171,751</u>

These financial statements were approved by the board of directors and authorised for issue on 21/02/2017, and are signed on behalf of the board by:


 Mr C White
 Director


 Mr N Karai
 Director

Company registration number: 03410368

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

HEAVYWEIGHT AIR EXPRESS LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2016

	Note	Called up share capital £	Revaluatio n reserve £	Profit and loss account £	Total £
AT 1 JULY 2014		20,000	45,000	7,390,567	7,455,567
Profit for the year				1,648,184	1,648,184
Other comprehensive income for the year:					
Revaluation of tangible assets	12	—	68,000	—	68,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	68,000	1,648,184	1,716,184
AT 30 JUNE 2015		20,000	113,000	9,038,751	9,171,751
Profit for the year				497,846	497,846
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	—	497,846	497,846
AT 30 JUNE 2016		<u>20,000</u>	<u>113,000</u>	<u>9,536,597</u>	<u>9,669,597</u>

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

HEAVYWEIGHT AIR EXPRESS LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2016

	Note	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the financial year		497,846	1,648,184
<i>Adjustments for:</i>			
Depreciation of tangible assets		38,657	24,609
Other interest receivable and similar income		(6,402)	(17,247)
Gains on disposal of tangible assets		(3,700)	–
Tax on profit on ordinary activities		144,678	316,851
Accrued (income)/expenses		(157,591)	251,256
<i>Changes in:</i>			
Trade and other debtors		248,642	(905,290)
Trade and other creditors		(51,523)	(826,907)
Cash generated from operations		710,607	491,456
Interest received		6,402	17,247
Tax paid		(179,713)	(601,263)
Net cash from/(used in) operating activities		<u>537,296</u>	<u>(92,560)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(67,376)	(48,292)
Proceeds from sale of tangible assets		7,958	–
Net cash used in investing activities		<u>(59,418)</u>	<u>(48,292)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans from group undertakings		(497,154)	522,736
Proceeds from loans from participating interests		2,250	(379,391)
Net cash (used in)/from financing activities		<u>(494,904)</u>	<u>143,345</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>(17,026)</u>	<u>2,493</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>28,151</u>	<u>25,658</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	15	<u>11,125</u>	<u>28,151</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 2016

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 3 Cygnus Court, Beverley Road, East Midlands Airport, Derbyshire, DE74 2SA.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Depreciation

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

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

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. TURNOVER

Turnover arises from:

	2016	2015
	£	£
Rendering of services	<u>14,381,686</u>	<u>15,216,406</u>

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

5. OTHER OPERATING INCOME

	2016	2015
	£	£
Rental income	7,674	6,994
Management charges receivable	<u>20,400</u>	<u>133,904</u>
	<u>28,074</u>	<u>140,898</u>

6. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	38,657	24,609
Gains on disposal of tangible assets	(3,700)	–
Impairment of trade debtors	–	(92,825)
Foreign exchange differences	<u>512,451</u>	<u>(10,542)</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

7. AUDITOR'S REMUNERATION

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>14,100</u>	<u>13,900</u>
Fees payable to the company's auditor and its associates for other services:		
Audit-related assurance services	<u>3,292</u>	<u>2,808</u>

8. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Administrative staff	73	73
Management staff	<u>2</u>	<u>2</u>
	<u>75</u>	<u>75</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	1,875,811	1,567,589
Social security costs	174,454	188,203
Other pension costs	<u>62,300</u>	<u>63,020</u>
	<u>2,112,565</u>	<u>1,818,812</u>

9. DIRECTORS' REMUNERATION

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	255,313	302,033
Company contributions to defined contribution pension plans	<u>–</u>	<u>847</u>
	<u>255,313</u>	<u>302,880</u>

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

	2016	2015
	No.	No.
Defined contribution plans	<u>–</u>	<u>1</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016	2015
	£	£
Aggregate remuneration	<u>128,352</u>	<u>144,675</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Interest on cash and cash equivalents	7,980	17,247
Other interest	(1,578)	–
	<u>6,402</u>	<u>17,247</u>

11. TAX ON PROFIT ON ORDINARY ACTIVITIES

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	144,678	355,999
Deferred tax:		
Origination and reversal of timing differences	–	(39,148)
Tax on profit on ordinary activities	<u>144,678</u>	<u>316,851</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	642,524	1,965,035
Profit on ordinary activities by rate of tax	128,505	393,007
Effect of expenses not deductible for tax purposes	1,655	(8,509)
Effect of capital allowances and depreciation	19,259	22,953
Utilisation of tax losses	(4,741)	(64,331)
Change in tax rate	–	12,879
Deferred tax	–	(39,148)
Tax on profit on ordinary activities	<u>144,678</u>	<u>316,851</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

12. TANGIBLE ASSETS

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 July 2015	1,004,266	543,198	65,248	1,612,712
Additions	–	62,766	4,610	67,376
Disposals	–	(5,208)	(6,000)	(11,208)
At 30 June 2016	1,004,266	600,756	63,858	1,668,880
Depreciation				
At 1 July 2015	38,466	508,054	64,504	611,024
Charge for the year	–	38,019	638	38,657
Disposals	–	(950)	(6,000)	(6,950)
At 30 June 2016	38,466	545,123	59,142	642,731
Carrying amount				
At 30 June 2016	965,800	55,633	4,716	1,026,149
At 30 June 2015	965,800	35,144	744	1,001,688

Included in the net book value of £965,800 (2015: £965,800) is £652,800 (2014: £652,800) of freehold investment property held in trust by the Westbush Group Limited Employee Trust.

Tangible assets held at valuation

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.

Capital commitments

	2016 £	2015 £
Contracted for but not provided for in the financial statements	137,133	–

13. INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 Jul 2015 and 30 Jun 2016	692,192
Impairment	
At 1 Jul 2015 and 30 Jun 2016	–

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

13. INVESTMENTS *(continued)*

	Shares in group undertakings £
Carrying amount At 30 June 2016	<u>692,192</u>

14. DEBTORS

	2016 £	2015 £
Trade debtors	1,628,446	1,405,195
Amounts owed by group undertakings	6,997,846	7,309,364
Amounts owed by undertakings in which the company has a participating interest	90,216	107,870
Prepayments and accrued income	137,070	211,920
Corporation tax repayable	62,610	–
Directors loan account	315,332	357,321
Loans from EBT	815,000	815,000
Other debtors	493,834	582,326
	<u>10,540,354</u>	<u>10,788,996</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.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	2016 £	2015 £
Cash at bank and in hand	15,970	28,151
Bank overdrafts	(4,845)	–
	<u>11,125</u>	<u>28,151</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

16. CREDITORS: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	4,845	–
Trade creditors	1,354,512	1,459,553
Amounts owed to group undertakings	432,395	929,549
Amounts owed to undertakings in which the company has a participating interest	16,122	13,872
Accruals and deferred income	160,781	318,372
Corporation tax	–	35,035
Social security and other taxes	532,524	570,315
Other creditors	103,889	12,580
	<u>2,605,068</u>	<u>3,339,276</u>

17. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £49,960 (2015: £50,545).

18. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

19. RESERVES

Profit and loss account - This reserve records retained earnings and accumulated losses.

20. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	79,368	5,303
Later than 1 year and not later than 5 years	428,572	335,056
Later than 5 years	–	379,000
	<u>507,940</u>	<u>719,359</u>

HEAVYWEIGHT AIR EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2016

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Included within debtors are balances owing to the company from its directors totalling £315,331 (2015: £357,321). Total advances and creditors on individual directors' loan accounts during the year were as follows:

	Advances £	Credits £	Balance £
M Sweeney	76,899	110,135	65,909
R Thackeray	2,535	4	37,316
C White	21,069	6,004	72,360
N Karai	2,487	8,704	108,546

22. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS102 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.

23. CONTROLLING PARTY

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.

24. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 July 2014.

No transitional adjustments were required in equity or profit or loss for the year.