

N G LOGISTICS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

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N G LOGISTICS LIMITED

COMPANY INFORMATION

DIRECTORS

P D O'Brien
G Dean
M J Rue

COMPANY SECRETARY

G Dean

REGISTERED NUMBER

03664050

REGISTERED OFFICE

3 Wesley Gate
Queens Road
Reading
Berkshire
RG1 4AP

INDEPENDENT AUDITOR

James Cowper LLP
Chartered Accountants and Statutory Auditor
3 Wesley Gate
Queen's Road
Reading
Berkshire
RG1 4AP

N G LOGISTICS LIMITED

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N G LOGISTICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

PRINCIPAL ACTIVITIES

The principal activity of the group in the year under review was that of multi-modal international forwarding agents offering a wide range of services including third party logistics and inventory management.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,191,735 (2013 - £895,939).

Dividends amounting to £975,490 (2013: £672,884) were paid in the year. The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors who served during the year were:

P D O'Brien
G Dean
M J Rue

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

N G LOGISTICS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

AUDITOR

The auditor, James Cowper LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

.....
G Dean
Director

Date:

N G LOGISTICS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014

BUSINESS REVIEW

The year ended 30 September 2014 has been one of continued growth for the group. Turnover for the year has increased from £26.1m in 2013 to £32.1m in 2014, an increase of more than 22% and whilst there have been challenges in the year, this is also reflected in an increase of nearly £345k in profit before tax.

The group's growth has continued due to new business gained in the forwarding divisions. Our Asian presence through our joint venture Norman Global Logistics Hong Kong Ltd, continued to grow with increasing turnover and profit.

PRINCIPAL RISKS AND UNCERTAINTIES

The group has a committed workforce who are all striving to take the group forward and it enjoys long standing relationships with many of its key customers. Whilst these clearly represent strengths that have been built upon over a number of years, they also represent the key risks facing the business. The loss of certain key members of the team or of key accounts would have some impact upon short term performance.

FUTURE DEVELOPMENTS

The forthcoming year promises to be one of continued expansion. The group plan to further increase the scale of activities in Asia.

This report was approved by the board on

19 Dec 2014

and signed on its behalf.

.....
G Dean
Director

N G LOGISTICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF N G LOGISTICS LIMITED

We have audited the financial statements of N G Logistics Limited for the year ended 30 September 2014, set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

UNQUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

N G LOGISTICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF N G LOGISTICS LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept 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.



Mr Terry Goodsell FCA (Senior Statutory Auditor)

for and on behalf of
James Cowper LLP

Chartered Accountants and Statutory Auditor

3 Wesley Gate
Queen's Road
Reading
Berkshire
RG1 4AP

Date:

4 February 2015

N G LOGISTICS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Note	2014 £	2013 £
TURNOVER			
Group and share of joint venture's turnover		32,115,582	26,001,016
Less: share of joint venture's turnover		(5,115,616)	(3,645,292)
Group turnover	1,2	26,999,966	22,355,724
Cost of sales		(21,038,314)	(17,020,301)
GROSS PROFIT		5,961,652	5,335,423
Distribution costs		(266,936)	(263,480)
Administrative expenses		(4,431,159)	(4,040,984)
Other operating income	3	40,207	-
OPERATING PROFIT	5	1,303,764	1,030,959
Share of operating profit in joint ventures		207,659	140,637
TOTAL OPERATING PROFIT		1,511,423	1,171,596
Interest payable and similar charges	7	(3,822)	(8,615)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,507,601	1,162,981
Tax on profit on ordinary activities	8	(315,866)	(267,042)
PROFIT FOR THE FINANCIAL YEAR	17	1,191,735	895,939

All amounts relate to continuing operations.

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

The notes on pages 10 to 20 form part of these financial statements.

N G LOGISTICS LIMITED
REGISTERED NUMBER: 03664050

CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Intangible assets	9		923,123		1,028,869
Tangible assets	10		242,550		272,920
Investments in joint ventures					
-Share of gross assets		744,341		661,831	
-Share of gross liabilities		(304,020)		(421,519)	
Share of net assets	11		440,321		240,312
			1,605,994		1,542,101
CURRENT ASSETS					
Debtors	12	5,269,846		5,044,833	
Cash at bank and in hand		1,307,408		236,606	
		6,577,254		5,281,439	
CREDITORS: amounts falling due within one year	13	(6,856,660)		(5,713,197)	
NET CURRENT LIABILITIES			(279,406)		(431,758)
NET ASSETS			1,326,588		1,110,343
CAPITAL AND RESERVES					
Called up share capital	16		855		855
Capital redemption reserve	17		145		145
Profit and loss account	17		1,325,588		1,109,343
SHAREHOLDERS' FUNDS	26		1,326,588		1,110,343

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
G Dean
 Director

Date: 19 December 2014

The notes on pages 10 to 20 form part of these financial statements.

N G LOGISTICS LIMITED
REGISTERED NUMBER: 03664050

COMPANY BALANCE SHEET
AS AT 30 SEPTEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Investments	11		3,132,132		3,132,132
CURRENT ASSETS					
Debtors	12	13,900		9,900	
Cash at bank		8,965		8,558	
		<u>22,865</u>		<u>18,458</u>	
CREDITORS: amounts falling due within one year	13	(2,459,258)		(2,558,851)	
NET CURRENT LIABILITIES			<u>(2,436,393)</u>		<u>(2,540,393)</u>
NET ASSETS			<u>695,739</u>		<u>591,739</u>
CAPITAL AND RESERVES					
Called up share capital	16		855		855
Capital redemption reserve	17		145		145
Profit and loss account	17		694,739		590,739
SHAREHOLDERS' FUNDS	26		<u>695,739</u>		<u>591,739</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
G Dean
 Director

Date: 19 December 2014

The notes on pages 10 to 20 form part of these financial statements.

N G LOGISTICS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	27	2,468,962	1,024,584
Returns on investments and servicing of finance	28	(3,822)	(8,615)
Taxation		(224,217)	(228,672)
Capital expenditure and financial investment	28	(49,957)	(122,455)
Equity dividends paid		(975,490)	(672,884)
INCREASE/(DECREASE) IN CASH IN THE YEAR		1,215,476	(8,042)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	1,215,476	(8,042)
MOVEMENT IN NET DEBT IN THE YEAR	1,215,476	(8,042)
Net funds at 1 October 2013	91,932	99,974
NET FUNDS AT 30 SEPTEMBER 2014	1,307,408	91,932

The notes on pages 10 to 20 form part of these financial statements.

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of the investment in joint ventures and in accordance with applicable accounting standards.

Basis of consolidation

The financial statements consolidate the accounts of N G Logistics Limited and all of its subsidiary undertakings ('subsidiaries').

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. The whole of the turnover is attributable to freight forwarding in the form of both imports and exports. Profits are recognised on imports when the goods arrive in the destination country. Profits on exports are recognised when the goods leave the source country.

Goodwill

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

Tangible fixed assets and depreciation

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

Motor vehicles	-	25 % straight line
Fixtures & fittings	-	20% straight line & 10% straight line
Computer equipment	-	25% straight line

Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at their revalued amount.
- (ii) **Joint venture undertakings**
Investments in joint ventures are stated at the company's share of net assets. The company's share of the profits or losses of the joint ventures is included in the Profit and Loss Account using the equity accounting basis.
- (iii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.

Operating leases

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

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

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.

Foreign currencies

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

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

Exchange gains and losses are recognised in the Profit and Loss Account.

Pensions

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

2. TURNOVER

The whole of the turnover is attributable to freight forwarding.

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2014 £	2013 £
Other operating income	40,207	-

4. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	2,565,436	2,338,538
Social security costs	255,875	213,742
Other pension costs	185,710	219,891
	<u>3,007,021</u>	<u>2,772,171</u>

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

4. STAFF COSTS (continued)

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

	2014 No.	2013 No.
Warehousing and forwarding staff	81	79
Administrative	10	9
	<u>91</u>	<u>88</u>

5. OPERATING PROFIT

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

	2014 £	2013 £
Goodwill	105,746	105,746
Depreciation of tangible fixed assets:		
- owned by the group	95,716	94,419
Auditor's remuneration	12,000	12,000
Profit on exchange	(196)	(8,921)
Other lease rentals	332,093	239,403
(Profit)/ Loss on disposal of fixed assets	<u>(15,389)</u>	<u>(6,700)</u>

6. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>133,795</u>	<u>135,589</u>
Company pension contributions to defined contribution pension schemes	<u>83,468</u>	<u>138,568</u>

During the year retirement benefits were accruing to 3 directors (2013 - 3) in respect of defined contribution pension schemes.

4,500 share options were issued to K McNamara, a director of Norman Global Logistics Limited, on 12 September 2014 under an EMI scheme at a price of £0.01 per share exercisable at nominal value. The market value per share at date of grant as agreed with HMRC was £18.

7. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	3,822	8,154
Other interest payable	-	461
	<u>3,822</u>	<u>8,615</u>

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

8. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	322,198	278,572
Deferred tax (see note 15)		
Origination and reversal of timing differences	(6,332)	(11,530)
Tax on profit on ordinary activities	<u>315,866</u>	<u>267,042</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 22% (2013 - 23.5%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>1,507,601</u>	<u>1,162,981</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 - 23.5%)	331,672	273,301
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,341	18,270
Capital allowances for year in excess of depreciation	(945)	275
Adjustments to tax charge in respect of prior periods	3,123	-
Short term timing difference leading to an increase (decrease) in taxation	4,400	-
Other timing differences leading to an increase (decrease) in taxation	(1,711)	(2,135)
Other fixed asset differences	23,003	24,850
Non-taxable income	(45,685)	(30,751)
Marginal relief	-	(5,238)
Current tax charge for the year (see note above)	<u>322,198</u>	<u>278,572</u>

N G LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

9. INTANGIBLE FIXED ASSETS

Group	Goodwill £
Cost	
At 1 October 2013 and 30 September 2014	2,114,923
Amortisation	
At 1 October 2013	1,086,054
Charge for the year	105,746
At 30 September 2014	1,191,800
Net book value	
At 30 September 2014	923,123
At 30 September 2013	1,028,869

10. TANGIBLE FIXED ASSETS

Group	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 1 October 2013	221,640	508,936	174,532	905,108
Additions	36,790	32,834	-	69,624
Disposals	(40,655)	(33,007)	-	(73,662)
At 30 September 2014	217,775	508,763	174,532	901,070
Depreciation				
At 1 October 2013	76,937	399,365	155,886	632,188
Charge for the year	54,858	31,473	9,385	95,716
On disposals	(36,377)	(33,007)	-	(69,384)
At 30 September 2014	95,418	397,831	165,271	658,520
Net book value				
At 30 September 2014	122,357	110,932	9,261	242,550
At 30 September 2013	144,703	109,571	18,646	272,920

N G LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

11. FIXED ASSET INVESTMENTS

	Investment in joint venture £
Group	
Cost or valuation	
At 1 October 2013	240,312
Foreign exchange movement	(7,650)
Share of profit/(loss)	207,659
	<hr/>
At 30 September 2014	440,321
	<hr/>
Net book value	
At 30 September 2014	440,321
	<hr/> <hr/>
At 30 September 2013	240,312
	<hr/> <hr/>
	Investments in subsidiary companies £
Company	
Cost or valuation	
At 1 October 2013 and 30 September 2014	3,132,132
	<hr/>
Net book value	
At 30 September 2014	3,132,132
	<hr/> <hr/>
At 30 September 2013	3,132,132
	<hr/> <hr/>

Details of the principal subsidiaries and joint ventures can be found under note number 25.

12. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	4,879,894	4,703,805	-	-
Amounts owed by undertakings in which the company has a participating interest	55,491	95,219	-	-
Other debtors	75,905	73,560	-	-
Prepayments and accrued income	251,878	171,903	-	-
Deferred tax asset (see note 15)	6,678	346	13,900	9,900
	<hr/>	<hr/>	<hr/>	<hr/>
	5,269,846	5,044,833	13,900	9,900
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

N G LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

13. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	-	144,674	-	-
Trade creditors	5,785,083	4,953,418	-	-
Amounts owed to group undertakings	-	-	1,999,253	2,284,085
Corporation tax	254,551	156,570	30,005	30,266
Other taxation and social security	69,808	67,704	-	-
Directors' loan accounts	-	195,000	-	195,000
Other creditors	430,000	49,500	430,000	49,500
Accruals and deferred income	317,218	146,331	-	-
	6,856,660	5,713,197	2,459,258	2,558,851

14. SECURED DEBTS

	2014	2013
	£	£
Bank overdrafts	-	(48,506)
Invoice discounting facility	-	(96,169)

The bank overdraft is secured by:

A debenture dated 10 February 2000 and an unlimited guarantee on the assets of Norman Global Logistics Limited.

A debenture dated 10 February 2000 and an unlimited guarantee on the assets of NG Logistics Limited.

Amounts received in respect of discounted invoices are secured by the debts to which they relate.

15. DEFERRED TAX ASSET

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	346	(11,184)	9,900	-
Released during the year (P&L)	6,332	11,530	4,000	9,900
At end of year	6,678	346	13,900	9,900

The deferred tax asset is made up as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	6,678	(346)	13,900	9,900

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

16. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
85,500 Ordinary shares of £0.01 each (855 Ordinary shares of £1 each)	<u>855</u>	<u>855</u>

On 18 July 2014 a special resolution was passed to sub-divide 855 Ordinary £1 shares into 85,500 Ordinary £0.01 shares.

17. RESERVES

Group	Capital redempt'n reserve £	Profit and loss account £
At 1 October 2013	145	1,109,343
Profit for the financial year		1,191,735
Dividends: Equity capital		(975,490)
	<u>145</u>	<u>1,325,588</u>
At 30 September 2014	<u>145</u>	<u>1,325,588</u>

Company	Capital redempt'n reserve £	Profit and loss account £
At 1 October 2013	145	590,739
Profit for the financial year		1,079,490
Dividends: Equity capital		(975,490)
	<u>145</u>	<u>694,739</u>
At 30 September 2014	<u>145</u>	<u>694,739</u>

18. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £185,630 (2013: £219,891). Contributions totalling £11,318 (2013: £56,248) were payable to the fund at the balance sheet date and are included in creditors.

19. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Group				
Expiry date:				
Within 1 year	8,720	8,220	-	-
Between 1 and 5 years	142,853	124,560	97,435	91,235
After more than 5 years	201,930	100,965	-	-
	<u>253,503</u>	<u>233,745</u>	<u>97,435</u>	<u>91,235</u>

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

20. DIVIDENDS

	2014 £	2013 £
Dividends	<u>975,490</u>	<u>672,884</u>

21. CONTINGENT LIABILITIES

The company is a member of a group value added tax registration arrangement and is contingently liable for the unpaid value added tax of other members of the group registration. The liabilities at 30 September 2014 have been settled since the end of the financial period.

The company has given unlimited guarantee and debenture in support of its subsidiary company Norman Global Logistics Limited.

22. TRANSACTIONS WITH DIRECTORS

During the year the group paid dividends totalling £975,490 (2013: £672,884), of which P O'Brien received £313,804 (2013: £218,004), G Dean received £334,851 (2013: £225,836), and M J Rue received £326,835 (2013: £229,044).

23. RELATED PARTY TRANSACTIONS

Norman Global Logistics Hong Kong Limited is a joint venture. At the year end a loan of £55,491 (2013: £95,219) was owed to the group from Norman Global Logistics Hong Kong and the group owed £73,584 (2013: £122,722) to Norman Global Logistics Hong Kong and this amount is included within trade creditors.

24. CONTROLLING PARTY

The company is controlled by the directors of the company by virtue of their shareholdings. No one person has ultimate control of the company.

25. PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

a. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Norman Global Logistics Limited	Great Britain	100%	Freight Forwarding

b. Principal joint ventures

Company name	Country	Percentage Shareholding	Description
NG Logistics Hong Kong Limited	Hong Kong	50%	Freight Forwarding

N G LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

26. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Group		
Opening shareholders' funds	1,110,343	887,288
Profit for the financial year	1,191,735	895,939
Dividends (Note 20)	(975,490)	(672,884)
	<u>1,326,588</u>	<u>1,110,343</u>
Closing shareholders' funds	<u>1,326,588</u>	<u>1,110,343</u>
	2014 £	2013 £
Company		
Opening shareholders' funds	591,739	510,512
Profit for the financial year	1,079,490	754,111
Dividends (Note 20)	(975,490)	(672,884)
	<u>695,739</u>	<u>591,739</u>
Closing shareholders' funds	<u>695,739</u>	<u>591,739</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account.

The profit for the year dealt with in the accounts of the company was £1,079,570 (2013 - £754,111).

27. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	1,303,764	1,030,959
Amortisation of intangible fixed assets	105,746	105,746
Depreciation of tangible fixed assets	95,716	94,419
Foreign exchange difference on investment	7,650	-
Profit on disposal of tangible fixed assets	(15,389)	(257)
Increase in debtors	(258,405)	(1,471,676)
Decrease in amounts owed by joint ventures	39,728	-
Increase in creditors	1,190,152	1,265,393
	<u>2,468,962</u>	<u>1,024,584</u>
Net cash inflow from operating activities	<u>2,468,962</u>	<u>1,024,584</u>

28. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest paid	(3,822)	(8,615)
	<u>(3,822)</u>	<u>(8,615)</u>

N G LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

28. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(69,624)	(145,069)
Sale of tangible fixed assets	19,667	22,614
	<hr/>	<hr/>
Net cash outflow from capital expenditure	(49,957)	(122,455)
	<hr/> <hr/>	<hr/> <hr/>

29. ANALYSIS OF CHANGES IN NET FUNDS

	1 October 2013 £	Cash flow £	Other non-cash changes £	30 September 2014 £
Cash at bank and in hand	236,606	1,070,802	-	1,307,408
Bank overdraft	(144,674)	144,674	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds	91,932	1,215,476	-	1,307,408
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>