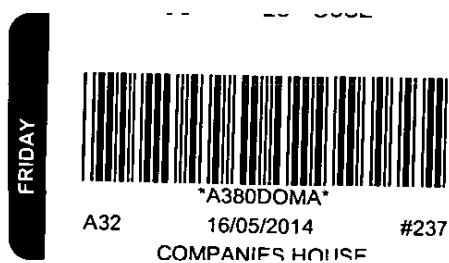


Company Registration No. 05059978 (England and Wales)

AQUILA GROUP (UK) LIMITED
ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2013



AQUILA GROUP (UK) LIMITED

DIRECTOR AND ADVISERS

Director	G Mullaney
Secretary	M Cunningham
Company number	05059978
Registered office	Westgate Aldridge Walsall West Midlands WS9 8EZ
Registered auditors	DJH Accountants Limited Porthill Lodge High Street Wolstanton Newcastle under Lyme Staffordshire ST5 0EZ

AQUILA GROUP (UK) LIMITED

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AQUILA GROUP (UK) LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2013

The director presents his report and financial statements for the period ended 31 December 2013

Principal activities and review of the business

The group's principal activity is the sale and service of commercial vehicles into the transport industry

The group operates across 9 locations in the Midlands and South West area and employs approximately 250 people. In addition the company operates on-site with a number of operators, offering first class service where it is needed

The group has strategically shortened its accounting period to align group activities with the acquisition of the Iveco Bristol Street operation in the previous accounting period. Accordingly the directors are reporting on a 6 month trading period. Aquila Group also continues to thrive through the continued expansion of the MAN, Isuzu and Caterpillar franchises

The profit and loss account shows group turnover for the period of £19,040,373, which includes £9,669,756 arising from the acquisition and which as expected doubles the size of the group's operations compared with the June 2013 period. However as a result of the acquisition the gross profit margins have been diluted during this transitional phase, as operations in Aquila Truck Centres (Italia) Limited is integrated into the group business model, and the directors are continuing to monitor this

Group overheads for the period have reduced on a like for like basis due to significant savings in labour costs, and the directors have undertaken a significant review of the additional fixed costs arising from the acquisition in order to achieve synergies across the group

Principle Risks and Uncertainties

As with any business the directors are aware that risks exist which can adversely affect the performance of the group. The directors have taken steps to identify and monitor these risks to assist in minimising their impact. We continue to work closely with our customers to understand their needs and are focussed on ensuring our business structure allows the Aquila Group to continue to offer excellent service at a competitive price, particularly when costs are such a driver in many of our customers businesses

Financial Instruments

The group holds financial instruments to fund its operations and manages risks arising from these operations and its sources of finance in accordance with its accounting policies. Group operations and working capital requirements are principally funded by short term banking facilities and retained profits

Results and dividends

The consolidated profit and loss account for the period is set out on page 5

Interim ordinary dividend were paid amounting to £95,946. The director does not recommend payment of a final dividend

Director

The following director has held office since 1 July 2013

G Mullaney

Auditors

DJH Accountants Limited were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

AQUILA GROUP (UK) LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board

x

M Cunningham

Secretary

+15.8.14

Date

AQUILA GROUP (UK) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AQUILA GROUP (UK) LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Aquila Group (UK) Limited for the period ended 31 December 2013 set out on pages 5 to 22. 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 auditors' 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 director and auditors

As explained more fully in the Director's Responsibilities Statement set out on pages 1 - 2, the director is 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 director, 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 group's and parent company's affairs as at 31 December 2013 and of the group's profit for the period 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 Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

AQUILA GROUP (UK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF AQUILA GROUP (UK) LIMITED

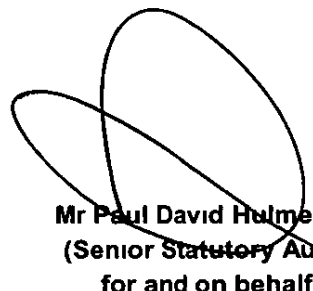
Matters on which we are required to report by exception

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

Porthill Lodge
High Street
Wolstanton
Newcastle under Lyme
Staffordshire
ST5 0EZ

8/5/14



Mr Paul David Hulme FCCA
(Senior Statutory Auditor)
for and on behalf of
DJH ACCOUNTANTS LIMITED

Chartered Certified Accountants
Registered Auditor

AQUILA GROUP (UK) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2013

		Period ended 31 December 2013 £	Year ended 30 June 2013 £
	Notes		
Turnover	2	19,040,373	19,698,569
Cost of sales		(14,946,303)	(13,888,774)
Gross profit		4,094,070	5,809,795
Administrative expenses		(3,868,575)	(5,781,105)
Other operating income		36,163	87,520
Operating profit	3	261,658	116,210
Interest payable and similar charges	4	(110,706)	(98,411)
Profit on ordinary activities before taxation		150,952	17,799
Tax on profit on ordinary activities	5	(52,218)	(54,488)
Profit/(loss) on ordinary activities after taxation		98,734	(36,689)
Minority interests		(1,464)	-
Profit/(loss) for the financial period	18	97,270	(36,689)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account


AQUILA GROUP (UK) LIMITED

BALANCE SHEETS

AS AT 31 DECEMBER 2013

	Notes	Group 2013 £	2013 £	Company 2013 £	2013 £
Fixed assets					
Intangible assets	8	603,499	629,297	-	-
Tangible assets	9	715,683	747,662	-	-
Investments	10	105,511	105,511	2,308,799	1,560,200
		<u>1,424,693</u>	<u>1,482,470</u>	<u>2,308,799</u>	<u>1,560,200</u>
Current assets					
Stocks	11	5,768,893	6,866,699	-	-
Debtors	12	5,439,132	5,833,805	291,945	30,217
Cash at bank and in hand		100,379	605,650	-	-
		<u>11,308,404</u>	<u>13,306,154</u>	<u>291,945</u>	<u>30,217</u>
Creditors: amounts falling due within one year	13	(11,260,002)	(13,347,073)	(1,299,744)	(289,417)
Net current assets/(liabilities)		<u>48,402</u>	<u>(40,919)</u>	<u>(1,007,799)</u>	<u>(259,200)</u>
Total assets less current liabilities		<u>1,473,095</u>	<u>1,441,551</u>	<u>1,301,000</u>	<u>1,301,000</u>
Creditors: amounts falling due after more than one year	14	(128,223)	(100,967)	-	-
		<u>1,344,872</u>	<u>1,340,584</u>	<u>1,301,000</u>	<u>1,301,000</u>
Capital and reserves					
Called up share capital	17	1,100	1,100	1,100	1,100
Share premium account	18	1,299,900	1,299,900	1,299,900	1,299,900
Revaluation reserve	18	89,847	100,000	-	-
Profit and loss account	18	(240,939)	(252,416)	-	-
Shareholders' funds	20	<u>1,149,908</u>	<u>1,148,584</u>	<u>1,301,000</u>	<u>1,301,000</u>
Minority interests	19	<u>194,964</u>	<u>192,000</u>	<u>-</u>	<u>-</u>
		<u>1,344,872</u>	<u>1,340,584</u>	<u>1,301,000</u>	<u>1,301,000</u>

Approved by the Board and authorised for issue on * 08/05/14

* 
G Mullaney
Director

Company Registration No. 05059978

AQUILA GROUP (UK) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2013

	Period ended 31 December 2013		Year ended 30 June 2013	
	£	£	£	£
Net cash inflow from operating activities		213,808		596,036
Returns on investments and servicing of finance				
Interest paid	(110,706)		(98,411)	
Dividends paid to minorities	-		192,000	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(110,706)		93,589
Taxation		(163,981)		(32,796)
Capital expenditure				
Payments to acquire tangible assets	(64,249)		(62,792)	
Receipts from sales of tangible assets	-		59,400	
Net cash outflow for capital expenditure		(64,249)		(3,392)
Acquisitions and disposals				
Net of cash acquired with subsidiary	-		283,357	
Net cash inflow for acquisitions and disposals		-		283,357
Equity dividends paid		(95,946)		(223,711)
Net cash (outflow)/inflow before management of liquid resources and financing		(221,074)		521,083
Financing				
Issue of preference share capital	-		192,000	
Repayment of long term bank loan	(25,000)		(100,000)	
Repayment of other long term loans	(920)		(4,560)	
Repayment of other short term loans	(201,360)		-	
Capital element of hire purchase contracts	(342,848)		(274,391)	
Net cash outflow from financing		(570,128)		(186,951)
(Decrease)/increase in cash in the period		(791,202)		334,132

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2013

1	Reconciliation of operating profit to net cash outflow from operating activities	2013	2013
		£	£
	Operating profit	261,658	116,210
	Depreciation of tangible assets	233,307	320,184
	Amortisation of intangible assets	25,798	51,595
	Profit on disposal of tangible assets	-	(5,279)
	Decrease/(increase) in stocks	1,239,185	(4,237,471)
	Decrease/(increase) in debtors	476,022	(2,025,421)
	(Decrease)/Increase in creditors within one year	(2,022,162)	6,376,218
	Net cash outflow from operating activities	213,808	596,036

2	Analysis of net debt	1 July 2013	Cash flow	Other non-cash changes	31 December 2013
		£	£	£	£
	Net cash				
	Cash at bank and in hand	605,650	(505,271)	-	100,379
	Bank overdrafts	(1,179,903)	(285,931)	-	(1,465,834)
		(574,253)	(791,202)	-	(1,365,455)
	Finance leases	(347,757)	49,872	-	(297,885)
	Debts falling due within one year	(429,560)	201,360	-	(228,200)
	Debts falling due after one year	(25,920)	25,920	-	-
		(803,237)	277,152	-	(526,085)
	Net debt	(1,377,490)	(514,050)	-	(1,891,540)

3	Reconciliation of net cash flow to movement in net debt	2013	2013
		£	£
	(Decrease)/increase in cash in the period	(791,202)	334,132
	Cash outflow/(inflow) from decrease/(increase) in debt	277,152	(232,976)
	Movement in net debt in the period	(514,050)	101,156
	Opening net debt	(1,377,490)	(1,478,646)
	Closing net debt	(1,891,540)	(1,377,490)

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	10-15 years straight line on cost
Plant and machinery	2-10 years straight line on cost
Office equipment	2-5 years straight line on cost
Fixtures, fittings and equipment	2-15 years straight line on cost
Motor vehicles	2-5 years straight line on cost

1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

1 Accounting policies (continued)

1 10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1 11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

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

3 Operating profit	2013 £	2013 £
Operating profit is stated after charging		
Amortisation of intangible assets	25,798	51,595
Depreciation of tangible assets	233,307	320,184
Operating lease rentals		
- Plant and machinery	69,242	45,280
- Other assets	389,912	675,858
Auditors' remuneration (company £3,000, 2013 £3,000)	20,500	15,500
and after crediting		
Profit on disposal of tangible assets	-	(5,279)

4 Interest payable	2013 £	2013 £
On bank loans and overdrafts	9,192	16,472
Hire purchase interest	31,658	34,878
On amounts payable to factors	23,062	39,999
Other interest	46,794	7,062
	<u>110,706</u>	<u>98,411</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2013

5	Taxation	2013	2013
		£	£
	Domestic current year tax		
	U K corporation tax	52,218	54,488
	Total current tax	<u>52,218</u>	<u>54,488</u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	<u>150,952</u>	<u>17,799</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 22.77% (2013 - 22.73%)	<u>34,372</u>	<u>4,046</u>
	Effects of		
	Non deductible expenses	8,814	14,120
	Depreciation add back	55,063	70,843
	Capital allowances	(42,504)	(43,829)
	Other tax adjustments	(3,527)	9,308
		<u>17,846</u>	<u>50,442</u>
	Current tax charge for the period	<u>52,218</u>	<u>54,488</u>
6	Profit for the financial period		
	As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial period is made up as follows:		
		2013	2013
		£	£
	Holding company's profit for the financial period	<u>95,946</u>	<u>223,711</u>
7	Dividends	2013	2013
		£	£
	Ordinary interim paid	<u>95,946</u>	<u>223,711</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2013**

8 Intangible fixed assets **Group**

	Goodwill £
Cost	
At 1 July 2013 and at 31 December 2013	1,029,922
	<hr/>
Amortisation	
At 1 July 2013	400,625
Charge for the period	25,798
	<hr/>
At 31 December 2013	426,423
	<hr/>
Net book value	
At 31 December 2013	603,499
	<hr/>
At 30 June 2013	629,297
	<hr/>

Goodwill is written off over its expected useful life which does not exceed 20 years

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2013

9 Tangible fixed assets

Group

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 July 2013	104,620	818,633	889,180	912,432	2,724,865
Additions	13,172	40,190	25,288	122,678	201,328
At 31 December 2013	117,792	858,823	914,468	1,035,110	2,926,193
Depreciation					
At 1 July 2013	-	681,515	661,803	633,885	1,977,203
Charge for the period	11,879	57,170	83,377	80,881	233,307
At 31 December 2013	11,879	738,685	745,180	714,766	2,210,510
Net book value					
At 31 December 2013	105,913	120,138	169,288	320,344	715,683
At 30 June 2013	104,620	137,118	227,377	278,547	747,662

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 December 2013	-	40,276	215,313	255,589
At 30 June 2013	-	90,767	147,782	238,549
Depreciation charge for the period				
31 December 2013	-	28,155	63,540	91,695
30 June 2013	-	105,088	53,632	158,720

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

10 Fixed asset investments Group

	Unlisted investments £	Total £
Cost or valuation		
At 1 July 2013	105,511	105,511
Additions	-	-
	<u>105,511</u>	<u>105,511</u>
At 31 December 2013	105,511	105,511
	<u>105,511</u>	<u>105,511</u>
Net book value		
At 31 December 2013	105,511	105,511
	<u>105,511</u>	<u>105,511</u>
At 30 June 2013	105,511	105,511
	<u>105,511</u>	<u>105,511</u>

Company

	Shares in group undertakings £
Cost	
At 1 July 2013	1,560,200
Additions	750,099
Disposals	(1,500)
	<u>2,308,799</u>
At 31 December 2013	2,308,799
	<u>2,308,799</u>
Net book value	
At 31 December 2013	2,308,799
	<u>2,308,799</u>
At 30 June 2013	1,560,200
	<u>1,560,200</u>

In the opinion of the director, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2013

10 Fixed asset investments

(continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Aquila Construction Equipment Limited	England and Wales	Ordinary	85
Aquila Truck Centres (Italia) Limited	England and Wales	Ordinary	100
Aquila Fleet Management Limited	England and Wales	Ordinary	100
Aquila Truck Centres Limited	England and Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Aquila Construction Equipment Limited	Retail of CAT Machinery
Aquila Truck Centres (Italia) Limited	Retail and aftermarket support for commercial vehicles
Aquila Fleet Management Limited	Dormant company
Aquila Truck Centres Limited	Aftermarket support to commercial vehicle operators

11 Stocks and work in progress

	Group		Company	
	2013	2013	2013	2013
	£	£	£	£
Parts Stock	1,760,681	1,596,539	-	-
Work in progress	332,320	266,540	-	-
Vehicle stock	3,675,892	5,003,620	-	-
	<u>5,768,893</u>	<u>6,866,699</u>	<u>-</u>	<u>-</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

12 Debtors

	Group 2013 £	2013 £	Company 2013 £	2013 £
Trade debtors	3,423,056	3,242,242	-	-
Amounts owed by group undertakings	-	-	-	29,217
Corporation tax	186,487	121,156	57,889	-
Other debtors	1,433,547	1,989,406	234,056	1,000
Prepayments and accrued income	367,042	452,001	-	-
Deferred tax asset (see note 15)	29,000	29,000	-	-
	<u>5,439,132</u>	<u>5,833,805</u>	<u>291,945</u>	<u>30,217</u>

13 Creditors amounts falling due within one year

	Group 2013 £	2013 £	Company 2013 £	2013 £
Bank loans and overdrafts	1,540,834	1,279,903	-	-
Net obligations under finance lease and hire purchase contracts	169,662	272,710	-	-
Trade creditors - stocking vehicles	4,036,578	5,284,313	-	-
Other trade creditors	3,173,732	3,835,079	-	-
Amounts owed to group undertakings	-	-	1,241,855	289,417
Corporation tax	172,040	218,472	57,889	-
Taxes and social security costs	1,028,346	946,985	-	-
Other creditors	211,529	343,171	-	-
Accruals and deferred income	927,281	1,166,440	-	-
	<u>11,260,002</u>	<u>13,347,073</u>	<u>1,299,744</u>	<u>289,417</u>

The bank loan and overdraft are secured by fixed and floating charges over the assets of the group

The invoice discount creditor is secured on the trade debtors of the subsidiary company

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2013

14 Creditors - amounts falling due after more than one year

	Group 2013 £	2013 £	Company 2013 £	2013 £
Bank loans	-	21,200	-	-
Other loans	-	4,720	-	-
Net obligations under finance leases and hire purchase agreements	128,223	75,047	-	-
	<u>128,223</u>	<u>100,967</u>	<u>-</u>	<u>-</u>
Analysis of loans				
Wholly repayable within five years	228,200	455,480	-	-
Included in current liabilities	(228,200)	(429,560)	-	-
	<u>-</u>	<u>25,920</u>	<u>-</u>	<u>-</u>
Loan maturity analysis				
In more than one year but not more than two years	-	25,920	-	-
	<u>-</u>	<u>25,920</u>	<u>-</u>	<u>-</u>

The bank loan is secured by fixed and floating charges over the assets of the company

Net obligations under finance leases and hire purchase contracts

Repayable within one year	169,662	272,710	-	-
Repayable between one and five years	128,223	75,047	-	-
	<u>297,885</u>	<u>347,757</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(169,662)	(272,710)	-	-
	<u>128,223</u>	<u>75,047</u>	<u>-</u>	<u>-</u>

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2013

15 Provisions for liabilities

The deferred tax asset (included in debtors, note 12) is made up as follows:

	Group 2013 £	Company 2013 £
Balance at 1 April 2011	-	-
At acquisition	(29,000)	-
Balance at 31 December 2013	<u>(29,000)</u>	<u>-</u>

	Group 2013 £	2013 £	Company 2013 £	2013 £
Decelerated capital allowances	<u>(29,000)</u>	<u>(29,000)</u>	<u>-</u>	<u>-</u>

16 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution 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.

	2013 £	2013 £
Contributions payable by the group for the period	<u>36,449</u>	<u>75,561</u>

17 Share capital

Allotted, called up and fully paid

	2013 £	2013 £
660 Ordinary shares of £1 each	660	660
440 Ordinary 'A' shares of £1 each	440	440
	<u>1,100</u>	<u>1,100</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

18 Statement of movements on reserves Group

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 July 2013	1,299,900	100,000	(252,416)
Profit for the period	-	-	97,270
Transfer from revaluation reserve to profit and loss account	-	-	10,153
Dividends paid	-	-	(95,946)
Depreciation written back	-	(10,153)	-
Balance at 31 December 2013	<u>1,299,900</u>	<u>89,847</u>	<u>(240,939)</u>

Company

	Share premium account £	Profit and loss account £
Balance at 1 July 2013	1,299,900	-
Profit for the period	-	95,946
Dividends paid	-	(95,946)
Balance at 31 December 2013	<u>1,299,900</u>	<u>-</u>

19 Minority interests

	2013 £	2013 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>194,964</u>	<u>192,000</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

20	Reconciliation of movements in shareholders' funds Group	2013	2013
		£	£
	Profit/(Loss) for the financial period	97,270	(36,689)
	Dividends	(95,946)	(223,711)
		1,324	(260,400)
	Other recognised gains and losses	-	100,000
	Net addition to shareholders' funds	1,324	(160,400)
	Opening shareholders' funds	1,148,584	1,308,984
	Closing shareholders' funds	1,149,908	1,148,584
		2013	2013
		£	£
	Profit for the financial period	95,946	223,711
	Dividends	(95,946)	(223,711)
	Net depletion in shareholders' funds	-	-
	Opening shareholders' funds	1,301,000	1,301,000
	Closing shareholders' funds	1,301,000	1,301,000

21 Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2013	2013	2013	2013
	£	£	£	£
Expiry date				
Within one year	-	-	59,499	41,218
Between two and five years	567,200	489,826	163,939	38,882
In over five years	360,000	435,000	-	-
	927,200	924,826	223,438	80,100

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

22 Director's remuneration	2013 £	2013 £
Remuneration	3,600	7,200
	<u>3,600</u>	<u>7,200</u>

23 Transactions with directors

The following directors had interest free loans during the period The movement on these loans are as follows

	Amount outstanding 2013 £	2013 £	Maximum in period £
G Mullaney	<u>597,241</u>	<u>567,909</u>	<u>597,241</u>

G Mullaney has entered into personal guarantees totalling £400,000 in order to secure working capital financing for the subsidiary companies

24 Employees

Number of employees

The average monthly number of employees (including directors) during the period was

	2013 Number	2013 Number
Selling and distribution	48	48
Service	151	144
Administration	43	43
	<u>242</u>	<u>235</u>

Employment costs

	2013 £	2013 £
Wages and salaries	3,150,699	4,795,283
Social security costs	332,511	475,482
Other pension costs	36,449	75,561
	<u>3,519,659</u>	<u>5,346,326</u>

AQUILA GROUP (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2013**

25 Control

The ultimate controlling party is Mr G Mullaney by virtue of his majority shareholding in the company

26 Related party relationships and transactions

Group

G Mullaney is also a director of G-Volution Plc

Transactions between Aquila Truck Centres Limited and its non group related parties during the period were as follows

	Sales of goods and services	Purchases of goods and services	Amounts written off	Balance due from at 31/12/13	Balance due at 31/12/13
	£	£	£	£	£
G-Volution Plc	85,283	15,534	-	27,491	-