

# Financial Statements Barton Petroleum (Holdings) Limited and subsidiary undertakings

---

**For the year ended 31 March 2014**



**Registered number: 05073551**

## Company Information

<b>Directors</b>	R J Burton D J Burton
<b>Company secretary</b>	L M Burton
<b>Registered number</b>	05073551
<b>Registered office</b>	Vaux Road Finedon Road Industrial Estate Wellingborough Northamptonshire NN8 4TG
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House 202 Silbury Boulevard Milton Keynes MK9 1LW
<b>Bankers</b>	HSBC Bank plc 15 High Street Market Harborough Leicestershire LE16 7NN
<b>Solicitors</b>	Howes Percival Oxford House Cliftonville Northampton Northamptonshire NN1 5PN

# Contents

	Page
<b>Group strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditor's report</b>	5 - 6
<b>Consolidated profit and loss account</b>	7
<b>Consolidated statement of total recognised gains and losses</b>	8
<b>Consolidated balance sheet</b>	9
<b>Company balance sheet</b>	10
<b>Consolidated cash flow statement</b>	11
<b>Notes to the financial statements</b>	12 - 27

# **Group Strategic Report**

**For the year ended 31 March 2014**

## **Principal activities**

The principal activity of the company is that of a holding company. It did not trade during the year.

The principal activity of the group is in the distribution of petroleum products and related activities.

## **Business review**

Despite a mild winter and difficult trading conditions as a result, the directors are pleased to report a satisfactory trading performance for the year

Group operating profit has decreased by 7.49% and turnover has decreased by 5.23%.

The company is expected to grow next year as it expands its activities in an improving economic climate.

## **Principal risks and uncertainties**

The group uses various financial instruments including cash, trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below.

The main risks arising from the group's financial instruments are price risk, liquidity risk and credit risk.

### **Price risk**

The group's exposure to price risk consists mainly of its exposure to movements in oil prices. This risk is managed by daily monitoring of the oil prices from the group's main supplier.

### **Liquidity risk**

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

### **Credit risk**

The group's principal financial assets are cash and trade debtors

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Any residual risk is covered by credit insurance.

## **Financial key performance indicators**

The directors' main performance indicators used to manage the critical financial aspects of the business are gross margin, volume turnover and debtor days.

The gross margin increased slightly to 6.4% due to changes in product mix. Oil prices continue to be volatile and a difficult trading environment continues to affect customers.

Debtor days are used to assist the careful management of working capital. On a year end count-back basis this measurement showed that debtors days have continued to decrease from 31 days in 2013 to 29 days.

## **Group Strategic Report (continued)**

**For the year ended 31 March 2014**

### **Key performance indicators - non-financial**

The directors' main non-financial performance indicators used to manage the business are greenhouse gas emissions and paper waste.

The level of greenhouse gases is carefully monitored. Approximately 7.3 tonnes per annum of heating oils are emitted and 345 tonnes of road fuels are utilised.

Of the paper used within the business, 80% is recycled per annum.

### **Land and buildings**

The directors are of the opinion that in aggregate the market value of the land and buildings is in excess of the book value.

This report was approved by the board on **6<sup>TH</sup> OCTOBER 2014** and signed on its behalf.



**R J Burton**  
**Director**

# Directors' Report

**For the year ended 31 March 2014**

The directors present their report and the financial statements for the year ended 31 March 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;
- 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 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.

## **Results and dividends**

The profit for the year, after taxation, amounted to £502,282 (2013 - £533,558).

Particulars of dividends paid are disclosed in the notes to the accounts.

## **Directors**

The directors who served during the year were:

R J Burton  
D J Burton

## Directors' Report

For the year ended 31 March 2014

### **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.

### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on **6<sup>TH</sup> OCTOBER 2014** and signed on its behalf.



**R J Burton**  
Director

## Independent Auditor's Report to the Members of Barton Petroleum (Holdings) Limited and subsidiary undertakings

We have audited the financial statements of Barton Petroleum (Holdings) Limited and subsidiary undertakings for the year ended 31 March 2014, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds, the consolidated Statement of total recognised gains and losses and the related notes. 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 (APB'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/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 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.





Grant Thornton

## Independent Auditor's Report to the Members of Barton Petroleum (Holdings) Limited and subsidiary undertakings

### **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.

### **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.

John Corbishley (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Milton Keynes

Date: 16/10/2014 .

## Consolidated Profit and Loss Account

For the year ended 31 March 2014

	Note	2014 £	2013 £
<b>Turnover</b>	1,2	<b>74,126,370</b>	78,218,064
Cost of sales		<b>(69,347,449)</b>	(73,405,730)
<b>Gross profit</b>		<b>4,778,921</b>	4,812,334
Distribution costs		<b>(1,827,441)</b>	(1,766,358)
Administrative expenses		<b>(2,350,986)</b>	(2,395,752)
Other operating income	3	<b>4,940</b>	4,250
<b>Operating profit</b>	4	<b>605,434</b>	654,474
Interest receivable and similar income		<b>11,281</b>	9,293
Interest payable and similar charges	8	<b>(191)</b>	(191)
Other finance income	9	<b>32,000</b>	21,000
<b>Profit on ordinary activities before taxation</b>		<b>648,524</b>	684,576
Tax on profit on ordinary activities	10	<b>(146,242)</b>	(151,018)
<b>Profit for the financial year</b>	21	<b>502,282</b>	533,558

All amounts relate to continuing operations.

The notes on pages 12 to 27 form part of these financial statements.

## Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 March 2014

	Note	2014 £	2013 £
<b>Profit for the financial year</b>		<b>502,282</b>	<b>533,558</b>
Actuarial gain / (loss) related to pension scheme	28	<b>146,000</b>	(842,000)
Deferred tax attributable to actuarial (gain) / loss	28	<b>(33,580)</b>	202,080
Pension surplus not recognised	28	<b>(260,400)</b>	480,860
<b>Total recognised gains and losses relating to the year</b>		<b>354,302</b>	<b>374,498</b>

The notes on pages 12 to 27 form part of these financial statements.

## Consolidated Balance Sheet

As at 31 March 2014

	Note	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Intangible assets	11		231,024		274,126
Tangible assets	12		2,547,484		2,490,174
			<u>2,778,508</u>		<u>2,764,300</u>
<b>Current assets</b>					
Stocks	15	837,962		1,099,983	
Debtors	16	6,968,954		8,789,300	
Cash at bank and in hand		5,461,110		5,025,925	
		<u>13,268,026</u>		<u>14,915,208</u>	
<b>Creditors: amounts falling due within one year</b>	17	(7,837,489)		(9,696,477)	
<b>Net current assets</b>			<u>5,430,537</u>		<u>5,218,731</u>
<b>Total assets less current liabilities</b>			<u>8,209,045</u>		<u>7,983,031</u>
<b>Creditors: amounts falling due after more than one year</b>	18		-		(971)
<b>Provisions for liabilities</b>					
Deferred tax	19		(49,896)		(27,213)
<b>Net assets</b>			<u>8,159,149</u>		<u>7,954,847</u>
<b>Capital and reserves</b>					
Called up share capital	20		50		50
Capital redemption reserve	21		50		50
Profit and loss account	21		8,159,049		7,954,747
<b>Shareholders' funds</b>	22		<u>8,159,149</u>		<u>7,954,847</u>

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

6<sup>th</sup> OCTOBER 2014



**R J Burton**  
Director

The notes on pages 12 to 27 form part of these financial statements.

## Company Balance Sheet

As at 31 March 2014

	Note	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Investments	13		793,780		793,780
<b>Current assets</b>					
Debtors	16	150,000		200,000	
<b>Creditors:</b> amounts falling due within one year	17	(150,000)		(200,000)	
<b>Net current assets</b>			-		-
<b>Total assets less current liabilities</b>			793,780		793,780
<b>Creditors:</b> amounts falling due after more than one year	18		(793,730)		(793,730)
<b>Net assets</b>			50		50
<b>Capital and Reserves</b>					
Called up share capital	20		50		50
<b>Shareholders' funds</b>	22		50		50

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

6<sup>TH</sup> OCTOBER 2014



**R J Burton**  
Director

The notes on pages 12 to 27 form part of these financial statements.

## Consolidated Cash Flow Statement

For the year ended 31 March 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	24	1,151,750	1,584,378
Returns on investments and servicing of finance	25	11,090	9,102
Taxation		(137,451)	(31,075)
Capital expenditure and financial investment	25	(388,539)	(198,485)
Acquisitions and disposals	25	-	(20,000)
Equity dividends paid		(200,000)	(50,000)
<b>Cash inflow before financing</b>		<b>436,850</b>	<b>1,293,920</b>
Financing	25	(1,665)	(1,666)
<b>Increase in cash in the year</b>		<b>435,185</b>	<b>1,292,254</b>

## Reconciliation of Net Cash Flow to Movement in Net Funds

For the year ended 31 March 2014

	2014 £	2013 £
Increase in cash in the year	435,185	1,292,254
Cash outflow from decrease in debt and lease financing	1,665	1,666
<b>Movement in net debt in the year</b>	<b>436,850</b>	<b>1,293,920</b>
Net funds at 1 April 2013	5,023,289	3,729,369
<b>Net funds at 31 March 2014</b>	<b>5,460,139</b>	<b>5,023,289</b>

The notes on pages 12 to 27 form part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2014

## **1. Accounting Policies**

### **1.1 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 principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **1.2 Basis of consolidation**

The financial statements consolidate the accounts of Barton Petroleum (Holdings) Limited and all of its subsidiary undertakings ('subsidiaries').

Profits or losses on intra-group transactions are eliminated in full.

### **1.3 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.

Revenue arising from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the purchaser upon shipment of the goods. Revenue arising from the provision of services is recognised when the service is considered complete.

### **1.4 Intangible fixed assets and amortisation**

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 Consolidated profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	1-20 years
----------	---	------------

### **1.5 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:

Freehold property	-	25 years
Long-term leasehold property	-	Life of the lease
Plant and machinery	-	2 to 16 years
Motor vehicles	-	4 to 6 years

### **1.6 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

# Notes to the Financial Statements

For the year ended 31 March 2014

## **1. Accounting Policies (continued)**

### **1.7 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

### **1.8 Operating leases**

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

### **1.9 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### **1.10 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.



# Notes to the Financial Statements

For the year ended 31 March 2014

## 1. Accounting Policies (continued)

### 1.11 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.

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 6 April 2010. The scheme closed for future accrual of benefits on 30 June 2011.

The group has applied the amendment to FRS17 Retirement Benefits which is effective for accounting periods commencing on or after 6 April 2007. The amendment to FRS17 primarily affects disclosures in relation to defined benefit pension schemes. However, for quoted securities the fair value is now taken to be the current bid price rather than the mid-market value. The change has affected disclosure only and has not lead to any prior year adjustment.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at the appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the group.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest charged on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

## 2. Turnover

The whole of the turnover and profit before tax is attributable to the one principal activity of the company as stated in the Strategic Report.

All turnover arose within the United Kingdom.

## 3. Other operating income

	2014	2013
	£	£
Other operating income	4,940	4,250

# Notes to the Financial Statements

For the year ended 31 March 2014

## 4. Operating profit

The operating profit is stated after charging:

	2014	2013
	£	£
Amortisation - intangible fixed assets	43,102	23,102
Depreciation of tangible fixed assets:		
- owned by the group	343,622	369,955
- held under finance leases	-	828
Operating lease rentals:		
- other operating leases	53,653	52,249
	<u>53,653</u>	<u>52,249</u>

## 5. Auditors' remuneration

	2014	2013
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	5,150	5,000
Fees payable to the company's auditor in respect of:		
The auditing of accounts of associates of the company	18,400	17,660
Taxation compliance services	4,720	4,580
	<u>4,720</u>	<u>4,580</u>

## 6. Staff costs

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

	2014	2013
	£	£
Wages and salaries	2,380,754	2,465,485
Social security costs	297,832	291,587
Other pension costs (Note 28)	161,775	165,751
	<u>2,840,361</u>	<u>2,922,823</u>

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

2014	2013
No.	No.
<u>71</u>	<u>69</u>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 7. Directors' remuneration

	2014	2013
	£	£
Remuneration	<u>136,240</u>	<u>153,881</u>

## 8. Interest payable

	2014	2013
	£	£
On finance leases and hire purchase contracts	<u>191</u>	<u>191</u>

## 9. Other finance income/(costs)

	2014	2013
	£	£
Expected return on pension scheme assets	164,000	206,000
Interest on pension scheme liabilities	(132,000)	(185,000)
	<u>32,000</u>	<u>21,000</u>

## 10. Taxation

	2014	2013
	£	£
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	89,269	137,802
Adjustments in respect of prior periods	270	530
<b>Total current tax</b>	<u>89,539</u>	<u>138,332</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	22,802	(431)
Effect of increased tax rate on opening liability	-	(630)
Under provision in prior year	(119)	1,807
FRS 17 deferred tax movement	34,020	11,940
<b>Total deferred tax</b> (see note 19)	<u>56,703</u>	<u>12,686</u>
<b>Tax on profit on ordinary activities</b>	<u>146,242</u>	<u>151,018</u>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 10. Taxation (continued)

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 22.7% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>648,524</u>	<u>684,576</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.7% (2013 - 24%)	147,282	164,298
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	4,600	-
Expenses not deductible for tax purposes	5,675	6,137
Capital allowances for year in excess of depreciation	(24,926)	2,542
Adjustments to tax charge in respect of prior periods	270	530
Adjustment to tax rate	-	213
Tax credits	-	(14)
Defined benefit scheme not taxable	(41,860)	(41,040)
Other differences leading to an increase (decrease) in the tax charge	1,636	7,358
Marginal relief	(3,138)	(1,692)
<b>Current tax charge for the year (see note above)</b>	<u><u>89,539</u></u>	<u><u>138,332</u></u>

## 11. Intangible fixed assets

	Goodwill £
<b>Group</b>	
<b>Cost</b>	
At 1 April 2013 and 31 March 2014	<u>482,044</u>
<b>Amortisation</b>	
At 1 April 2013	207,918
Charge for the year	<u>43,102</u>
At 31 March 2014	<u>251,020</u>
<b>Net book value</b>	
At 31 March 2014	<u><u>231,024</u></u>
At 31 March 2013	<u><u>274,126</u></u>

Included in the amortisation charge is £20,000 relating to the goodwill write off for MK Oils, a business acquired on 31 March 2013.

# Notes to the Financial Statements

For the year ended 31 March 2014

## 12. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2013	1,543,584	396,229	1,037,289	2,603,156	5,580,258
Additions	6,801	-	13,130	403,331	423,262
Disposals	-	-	(8,800)	(248,981)	(257,781)
At 31 March 2014	<u>1,550,385</u>	<u>396,229</u>	<u>1,041,619</u>	<u>2,757,506</u>	<u>5,745,739</u>
<b>Depreciation</b>					
At 1 April 2013	267,019	109,984	851,128	1,861,953	3,090,084
Charge for the year	19,923	17,412	41,474	264,813	343,622
On disposals	-	-	(8,653)	(226,798)	(235,451)
At 31 March 2014	<u>286,942</u>	<u>127,396</u>	<u>883,949</u>	<u>1,899,968</u>	<u>3,198,255</u>
<b>Net book value</b>					
At 31 March 2014	<u>1,263,443</u>	<u>268,833</u>	<u>157,670</u>	<u>857,538</u>	<u>2,547,484</u>
At 31 March 2013	<u>1,276,565</u>	<u>286,245</u>	<u>186,161</u>	<u>741,203</u>	<u>2,490,174</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014 £	2013 £
Motor vehicles	<u>4,163</u>	<u>4,995</u>

Included in freehold property is freehold land at cost of £609,754 (2013 - £609,754) which is not depreciated.

## 13. Fixed asset investments

Company	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2013 and 31 March 2014	<u>793,780</u>
<b>Net book value</b>	
At 31 March 2014	<u>793,780</u>
At 31 March 2013	<u>793,780</u>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 14. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Barton Petroleum Limited	England and Wales	100	Distribution of petroleum products
FW Abbott Limited	England and Wales	100	Maintenance and repair of commercial vehicles
MK Oils Limited	England and Wales	100	Dormant

## 15. Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	23,123	23,019	-	-
Work in progress	42,239	20,843	-	-
Goods for resale	772,600	1,056,121	-	-
	<u>837,962</u>	<u>1,099,983</u>	<u>-</u>	<u>-</u>

## 16. Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	6,107,646	7,700,865	-	-
Amounts owed by group undertakings	-	-	150,000	200,000
Prepayments and accrued income	861,308	1,088,435	-	-
	<u>6,968,954</u>	<u>8,789,300</u>	<u>150,000</u>	<u>200,000</u>

## 17. Creditors:

**Amounts falling due within one year**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	971	1,665	-	-
Trade creditors	7,148,679	8,812,341	-	-
Corporation tax	89,889	137,801	-	-
Other taxation and social security	122,938	153,929	-	-
Accruals and deferred income	475,012	590,741	150,000	200,000
	<u>7,837,489</u>	<u>9,696,477</u>	<u>150,000</u>	<u>200,000</u>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 18. Creditors:

### Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	-	971	-	-
Amounts owed to group undertakings	-	-	793,730	793,730
	-	971	793,730	793,730

Included in trade creditors is £2,000,000 (2013: £2,000,000) which is secured over the book debts of the company.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Between one and five years	-	971	-	-

## 19. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	27,213	23,703	-	-
Charge for the year (P&L)	22,683	3,510	-	-
At end of year	49,896	27,213	-	-

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	49,896	30,230	-	-
Tax losses brought forward	-	(3,017)	-	-
	49,896	27,213	-	-

# Notes to the Financial Statements

For the year ended 31 March 2014

## 20. Share capital

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
50 Ordinary shares shares of £1 each	50	50

## 21. Reserves

	Capital redemption reserve £	Profit and loss account £
<b>Group</b>		
At 1 April 2013	50	7,954,747
Profit for the financial year		502,282
Dividends: Equity capital		(150,000)
Pension reserve movement		(147,980)
At 31 March 2014	50	8,159,049
<b>Company</b>		
Profit for the financial year		150,000
Dividends: Equity capital		(150,000)
At 31 March 2014		-



# Notes to the Financial Statements

For the year ended 31 March 2014

## 22. Reconciliation of movement in shareholders' funds

	2014	2013
Group	£	£
Opening shareholders' funds	7,954,847	7,780,349
Profit for the financial year	502,282	533,558
Dividends (Note 23)	(150,000)	(200,000)
Other recognised gains and losses during the year	(147,980)	(159,060)
Closing shareholders' funds	<u>8,159,149</u>	<u>7,954,847</u>

  

	2014	2013
Company	£	£
Opening shareholders' funds	50	50
Profit for the financial year	150,000	200,000
Dividends (Note 23)	(150,000)	(200,000)
Closing shareholders' funds	<u>50</u>	<u>50</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 £150,000 (2013 - £200,000).

## 23. Dividends

	2014	2013
	£	£
Dividends paid on equity capital	<u>150,000</u>	<u>200,000</u>

## 24. Net cash flow from operating activities

	2014	2013
	£	£
Operating profit	605,434	654,474
Amortisation of intangible fixed assets	43,102	23,102
Depreciation of tangible fixed assets	343,622	370,783
Profit on disposal of tangible fixed assets	(12,393)	(74,800)
Decrease in stocks	262,021	29,908
Decrease/(increase) in debtors	1,820,346	(276,311)
(Decrease)/increase in creditors	(1,760,382)	1,007,222
Decrease in net pension assets/liabilities	(150,000)	(150,000)
Net cash inflow from operating activities	<u>1,151,750</u>	<u>1,584,378</u>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 25. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	11,281	9,293
Hire purchase interest	(191)	(191)
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>11,090</b>	<b>9,102</b>
	2014 £	2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(423,262)	(288,935)
Sale of tangible fixed assets	34,723	90,450
<b>Net cash outflow from capital expenditure</b>	<b>(388,539)</b>	<b>(198,485)</b>
	2014 £	2013 £
<b>Acquisitions and disposals</b>		
Purchase of intangible fixed assets	-	(20,000)
	2014 £	2013 £
<b>Financing</b>		
Repayment of finance leases	(1,665)	(1,666)

## 26. Analysis of changes in net funds

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	5,025,925	435,185	-	5,461,110
<b>Debt:</b>				
Finance leases	(2,636)	1,665	-	(971)
<b>Net funds</b>	<b>5,023,289</b>	<b>436,850</b>	<b>-</b>	<b>5,460,139</b>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 27. Capital commitments

At 31 March 2014 the group and company had capital commitments as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Contracted for but not provided in these financial statements	<b>733,600</b>	<b>373,000</b>	<b>-</b>	<b>-</b>

## 28. Pension commitments

The group 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 group operates a Defined benefit pension scheme.

Pension contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. A full actuarial valuation was carried out at 6 April 2010 and updated at 31 March 2014.

Benefits are payable on the final pensionable pay. The assets of the scheme are administered by trustees in a fund independent from the assets of the company.

The amounts recognised in the Balance sheet are as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(2,974,000)</b>	<b>(4,527,000)</b>
Fair value of scheme assets	<b>4,086,000</b>	<b>5,311,000</b>
Surplus in scheme	<b>1,112,000</b>	<b>784,000</b>
Surplus not recognised	<b>(1,112,000)</b>	<b>(784,000)</b>
Net asset	<b>-</b>	<b>-</b>

The amounts recognised in profit or loss are as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Interest on obligation	<b>(132,000)</b>	<b>(185,000)</b>
Expected return on scheme assets	<b>164,000</b>	<b>206,000</b>
Total	<b>32,000</b>	<b>21,000</b>
Actual return on scheme assets	<b>152,000</b>	<b>229,000</b>

# Notes to the Financial Statements

For the year ended 31 March 2014

## 28. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2014 £	2013 £
Opening defined benefit obligation	4,527,000	3,629,000
Interest cost	132,000	185,000
Actuarial (Gains)/losses	(158,000)	865,000
Benefits paid	-	(152,000)
Exclusion of insured pensioners assets	(1,527,000)	-
Closing defined benefit obligation	2,974,000	4,527,000

Changes in the fair value of scheme assets were as follows:

	2014 £	2013 £
Opening fair value of scheme assets	5,311,000	5,084,000
Expected return on assets	164,000	206,000
Actuarial gains and (losses)	(12,000)	23,000
Contributions by employer	150,000	150,000
Benefits paid	-	(152,000)
Exclusion of insured pensioners assets	(1,527,000)	-
	4,086,000	5,311,000

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of total recognised gains and losses was £(110,200) (2013 - £2,220).

The group expects to contribute £150,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
Equities and property	55.00 %	35.00 %
Bonds	15.00 %	31.00 %
Cash	2.00 %	5.00 %
Insured pensioners	- %	29.00 %
Gilts	28.00 %	- %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate at 31 March	4.50 %	4.40 %
Expected return on scheme assets at 31 March	4.90 %	4.30 %
Future pension increases	3.00 %	3.00 %
Inflation assumption	3.50 %	3.40 %
Consumer price inflation	2.60 %	2.70 %

# Notes to the Financial Statements

For the year ended 31 March 2014

## 28. Pension commitments (continued)

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2014 are based on the S2PMA and S2PFA YOB (2013: S1PMA and S1PFA YOB) table with a current year of use. Under these tables the future life expectancies are 22.1 years for a male at age 65 and 24.0 years for a female at age 65 at this time.

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2014 £	2013 £	2012 £	2010 £	2009 £
Defined benefit obligation	(2,974,000)	(4,527,000)	(3,629,000)	(3,668,000)	(3,895,000)
Scheme assets	4,086,000	5,311,000	5,084,000	4,395,000	3,978,000
Surplus	1,112,000	784,000	1,455,000	727,000	83,000
Experience adjustments on scheme liabilities	225,000	(150,000)	(107,000)	337,000	9,000
Experience adjustments on scheme assets	(12,000)	23,000	209,000	(66,000)	704,000

## 29. Operating lease commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
Group	2014 £	2013 £
Expiry date:		
After more than 5 years	46,480	46,480

## 30. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 and has not disclosed transactions between itself and its wholly owned subsidiaries.