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Company Registration No. 05846379 (England and Wales)

CCG LOGISTICS (UK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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CCG LOGISTICS (UK) LIMITED

COMPANY INFORMATION

Directors	L. A. Gibson D. J McLean J Smithers (Appointed 25 April 2008) P G Wells (Appointed 25 April 2008)
Secretary	F & D Company Services Ltd
Company number	05846379
Registered office	Unit A, 5 Colville Road Acton London W3 8BL
Auditors	Alexander James & Company Ltd Upper Deck, Admirals Quarters Portsmouth Road Thames Ditton Surrey KT7 0XA
Business address	Unit 9 Haslemere Heathrow Estate Silver Jubilee Way Hounslow Middlesex TW4 6NF
Bankers	Barclays Bank plc Slough Business Centre Slough Berks. SL1
Solicitors	Boyes Turner Abbots House, Abbey Street Reading Berkshire RG1 3BD

CCG LOGISTICS (UK) LIMITED

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CCG LOGISTICS (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the year ended 31 December 2008.

Principal activities and review of the business

The principal activity of the company continued to be that of Perishable Logistics.

The results for the year and financial position of the company are shown on page 5.

The gross margins have marginally improved from 4.33% to 4.48% and the directors are pleased with the near break even position achieved by the company in its first full year of trading. The company is dependent upon the continued support of the parent company along with an invoice discounting facility and bank overdraft facility as disclosed in note 1 to these accounts.

The principal risks and uncertainties faced by the company are fluctuations in the economic cycle, customer retention, staff retention and the ability to achieve overall profitability given the low industry margins, along with the current worldwide economic conditions.

A review of and change in finance staff has resulted in substantial improvements in financial control and reporting. The company has also improved its credit management policy and undertaken credit insurance of debtors during the year.

Going forward, the company is focusing on attracting new business through increased sales and marketing programmes, and will continue to control costs through a cost improvement programme that was started in January 2009. The directors are also focusing on improving margins on both new and existing business.

The directors anticipate that the ongoing control of costs, improvement of margins and improvements in controls and reporting along with the focus on attracting new business, will lead to improved results for the 2009 financial year.

The directors consider the key performance indicators to be the improvement of gross margins, development of the existing customer base and new business gains.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 January 2008:

L. A. Gibson

D. J McLean

J Smithers

P G Wells

(Appointed 25 April 2008)

(Appointed 25 April 2008)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Alexander James & Company Ltd be reappointed as auditors of the company will be put to the Annual General Meeting.

CCG LOGISTICS (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

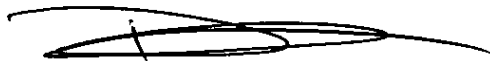
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D. J McLean

Director

27 May 2009

CCG LOGISTICS (UK) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CCG LOGISTICS (UK) LIMITED

We have audited the financial statements of CCG Logistics (UK) Limited for the year ended 31 December 2008 set out on pages 5 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

CCG LOGISTICS (UK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF CCG LOGISTICS (UK) LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Alexander James & Company Ltd

Alex James

27-May-2009

Chartered Certified Accountants

Registered Auditor

Upper Deck, Admirals Quarters
Portsmouth Road
Thames Ditton
Surrey
KT7 0XA

CCG LOGISTICS (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Turnover	2	34,226,554	7,472,566
Cost of sales		(32,692,757)	(7,149,197)
Gross profit		1,533,797	323,369
Administrative expenses		(1,384,743)	(691,786)
Operating profit/(loss)	3	149,054	(368,417)
Other interest receivable and similar income	4	9,525	4,568
Interest payable and similar charges	5	(206,682)	(27,060)
Loss on ordinary activities before taxation		(48,103)	(390,909)
Tax on loss on ordinary activities	6	61,288	14,103
Profit/(loss) for the year	13	13,185	(376,806)

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.

CCG LOGISTICS (UK) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	7		261,353		289,968
Current assets					
Debtors	8	3,266,437		2,866,969	
Cash at bank and in hand		300,372		304,568	
		3,566,809		3,171,537	
Creditors: amounts falling due within one year	9	(3,581,620)		(3,113,904)	
Net current (liabilities)/assets			(14,811)		57,633
Total assets less current liabilities			246,542		347,601
Creditors: amounts falling due after more than one year	10		(610,162)		(724,406)
			(363,620)		(376,805)
Capital and reserves					
Called up share capital	12		1		1
Profit and loss account	13		(363,621)		(376,806)
Shareholders' funds	14		(363,620)		(376,805)

Approved by the Board and authorised for issue on 27 May 2009



D. J McLean
Director

CCG LOGISTICS (UK) LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	£	2008 £	£	2007 £
Net cash inflow/(outflow) from operating activities		792,586		(1,989,743)
Returns on investments and servicing of finance				
Interest received	9,525		4,568	
Interest paid	(206,682)		(27,060)	
Net cash outflow for returns on investments and servicing of finance		(197,157)		(22,492)
Capital expenditure				
Payments to acquire tangible assets	(36,371)		(230,619)	
Net cash outflow for capital expenditure		(36,371)		(230,619)
Net cash inflow/(outflow) before management of liquid resources and financing		559,058		(2,242,854)
Financing				
Other new long term loans	57,739		660,306	
Repayment of other long term loans	(155,294)		-	
Capital element of hire purchase contracts	(16,689)		-	
Net cash (outflow)/inflow from financing		(114,244)		660,306
Increase/(decrease) in cash in the year		444,814		(1,582,548)

CCG LOGISTICS (UK) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

1	Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities	2008	2007
		£	£
	Operating profit/(loss)	149,054	(368,417)
	Depreciation of tangible assets	64,986	21,440
	Increase in debtors	(337,162)	(2,852,865)
	Increase in creditors within one year	915,708	1,210,099
	Net cash inflow/(outflow) from operating activities	792,586	(1,989,743)

2	Analysis of net debt	1 January 2008	Cash flow	Other non-cash changes	31 December 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	304,568	(4,196)	-	300,372
	Bank overdrafts	(1,887,116)	449,010	-	(1,438,106)
		<u>(1,582,548)</u>	<u>444,814</u>	<u>-</u>	<u>(1,137,734)</u>
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	(80,789)	16,689	-	(64,100)
	Debts falling due after one year	(660,306)	97,555	-	(562,751)
		<u>(741,095)</u>	<u>114,244</u>	<u>-</u>	<u>(626,851)</u>
	Net debt	(2,323,643)	559,058	-	(1,764,585)

3	Reconciliation of net cash flow to movement in net debt	2008	2007
		£	£
	Increase/(decrease) in cash in the year	444,814	(1,582,548)
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	114,244	(660,306)
	Change in net debt resulting from cash flows	<u>559,058</u>	<u>(2,242,854)</u>
	New finance lease	-	(80,789)
	Movement in net debt in the year	559,058	(2,323,643)
	Opening net debt	<u>(2,323,643)</u>	<u>-</u>
	Closing net debt	(1,764,585)	(2,323,643)

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand, the use of an invoice discounting facility which has a six month notice period and by the continued support of the ultimate parent company.

The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information and the guarantee of continued support by the ultimate parent company for the foreseeable future and for at least the 12 months to 30th June 2010, the directors consider that the company will continue to operate within the facilities currently agreed.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers, or the invoice discounting facility by the finance company.

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 Turnover

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

1.4 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 less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the length of the lease (5 Years)
Plant and machinery	5 Years straight line.
Computer equipment	5 Years straight line.
Fixtures, fittings & equipment	5 Years straight line.

1.5 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.

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

(continued)

1.6 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.

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of CCG Cool Chain Group Holdings AG, a company incorporated in Germany, and is included in the consolidated accounts of that company.

2 Turnover

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

3	Operating profit/(loss)	2008 £	2007 £
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	64,986	21,440
	Operating lease rentals		
	- Plant and machinery	157,388	17,439
	- Other assets	136,003	42,820
	Auditors' remuneration (including expenses and benefits in kind)	17,000	10,000
		<u>206,682</u>	<u>27,060</u>
4	Investment income	2008 £	2007 £
	Bank interest	9,525	4,568
		<u>9,525</u>	<u>4,568</u>
5	Interest payable	2008 £	2007 £
	On bank loans and overdrafts	142,684	-
	On other loans wholly repayable within five years	57,739	25,963
	Hire purchase interest	6,259	1,097
		<u>206,682</u>	<u>27,060</u>

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

6	Taxation	2008 £	2007 £
	Domestic current year tax		
	U.K. corporation tax	1,018	-
	Current tax charge	1,018	-
	Deferred tax		
	Deferred tax charge/credit current year	(62,306)	(14,103)
		<u>(61,288)</u>	<u>(14,103)</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(48,103)</u>	<u>(390,909)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2007 - 20.00%)	<u>(10,102)</u>	<u>(78,182)</u>
	Effects of:		
	Non deductible expenses	10,245	4,026
	Depreciation add back	13,647	4,085
	Capital allowances	(12,760)	(30,026)
	Other tax adjustments	(12)	100,097
		<u>11,120</u>	<u>78,182</u>
	Current tax charge	<u>1,018</u>	<u>-</u>

The company has estimated losses of £ 461,068 (2007 - £ 500,408) available for carry forward against future trading profits.

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

7 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2008	101,579	196,178	13,651	311,408
Additions	15,596	18,543	2,232	36,371
At 31 December 2008	117,175	214,721	15,883	347,779
Depreciation				
At 1 January 2008	7,741	12,591	1,108	21,440
Charge for the year	20,352	41,522	3,112	64,986
At 31 December 2008	28,093	54,113	4,220	86,426
Net book value				
At 31 December 2008	89,082	160,608	11,663	261,353
At 31 December 2007	93,838	183,587	12,543	289,968

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

	Plant and machinery £
Net book values	
At 31 December 2008	77,443
At 31 December 2007	98,305
Depreciation charge for the year	
At 31 December 2008	20,862
At 31 December 2007	6,007

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

8 Debtors	2008 £	2007 £
Trade debtors	2,571,305	2,648,077
Amounts owed by parent and fellow subsidiary undertakings	385,000	27,125
Other debtors	80,699	100,038
Prepayments and accrued income	153,024	77,626
Deferred tax asset (see note 11)	76,409	14,103
	<u>3,266,437</u>	<u>2,866,969</u>

9 Creditors: amounts falling due within one year	2008 £	2007 £
Bank loans and overdrafts	1,438,106	1,887,116
Net obligations under hire purchase contracts	16,689	16,689
Trade creditors	1,570,521	884,090
Amounts owed to parent and fellow subsidiary undertakings	-	3,750
Corporation tax	1,018	-
Other taxes and social security costs	38,467	38,039
Other creditors	251,737	-
Accruals and deferred income	265,082	284,220
	<u>3,581,620</u>	<u>3,113,904</u>

Bank loans and overdrafts are secured by a charge over credit balances dated 29/08/2007 and by an all assets debenture dated 29/08/2007. The bank also holds an indemnity of £300,000 in favour of HM Revenue & Customs, in respect of deferment duty.

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

10 Creditors: amounts falling due after more than one year	2008 £	2007 £
Other loans	562,751	660,306
Net obligations under hire purchase contracts	47,411	64,100
	<u>610,162</u>	<u>724,406</u>
Analysis of loans		
Wholly repayable within five years	562,751	660,306
	<u>562,751</u>	<u>660,306</u>
Loan maturity analysis		
In more than two years but not more than five years	562,751	660,306
	<u>562,751</u>	<u>660,306</u>
Net obligations under hire purchase contracts		
Repayable within one year	22,948	22,948
Repayable between one and five years	48,500	88,138
	<u>71,448</u>	<u>111,086</u>
Finance charges and interest allocated to future accounting periods	(24,037)	(30,297)
	<u>47,411</u>	<u>80,789</u>
Included in liabilities falling due within one year	(16,689)	(16,689)
	<u>30,722</u>	<u>64,100</u>

Included in creditors amounts falling due after more than 1 year are loans and interest of £562,751 (2007:£660,306) from CCG Verwaltungs GmbH a company with common directors of the ultimate parent company CCG Cool Chain Group Holdings AG. The loans bear an interest rate of 10.5% per annum and have a repayment date of 30 June 2010.

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

11 Provisions for liabilities and charges

The deferred tax asset (included in debtors, note 8) is made up as follows:

	2008 £
Balance at 1 January 2008	(14,103)
Profit and loss account	(62,306)
Balance at 31 December 2008	<u>(76,409)</u>

	2008 £	2007 £
Accelerated capital allowances	28,479	85,994
Tax losses available	(104,888)	(100,097)
	<u>(76,409)</u>	<u>(14,103)</u>

12 Share capital

	2008 £	2007 £
Authorised		
1,000 Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ordinary of £1 each	<u>1</u>	<u>1</u>

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2008	(376,806)
Profit for the year	13,185
Balance at 31 December 2008	<u>(363,621)</u>

CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

14 Reconciliation of movements in shareholders' funds	2008 £	2007 £
Profit/(Loss) for the financial year	13,185	(376,806)
Opening shareholders' funds	(376,805)	1
Closing shareholders' funds	<u>(363,620)</u>	<u>(376,805)</u>

15 Financial commitments

At 31 December 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2009:

	Land and buildings			
	2008	2007	2008	Other 2007
	£	£	£	£
Operating leases which expire:				
Between two and five years	<u>125,051</u>	<u>125,051</u>	<u>138,942</u>	<u>145,773</u>

16 Directors' emoluments	2008 £	2007 £
Emoluments for qualifying services	<u>217,725</u>	<u>62,173</u>

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>70,280</u>	<u>32,889</u>
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CCG LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

17 Employees

Number of employees

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

	2008 Number	2007 Number
Cost of Sales	25	16
Administration	7	4
	<u>32</u>	<u>20</u>

Employment costs

	2008 £	2007 £
Wages and salaries	1,025,330	275,172
Social security costs	114,160	33,112
	<u>1,139,490</u>	<u>308,284</u>

18 Control

The ultimate parent company and ultimate controlling party is CCG Cool Chain Group Logistics Holding AG, a company registered in Germany.

CCG COOL Chain Group Holding AG prepares group financial statements and copies can be obtained from - CCG Cool Chain Group Holding AG, Contrescarpe 52, 28195 Bremen, Germany.

19 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.