

Greenwhitestar UK Plc

Report and Financial Statements for the year ended 30 November 2015

Company Number: 8922456



The Company is the parent company of the Eddie Stobart Logistics group, which is a leading provider of transport, distribution and contract logistics & warehousing services in the UK and Europe.

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Company Information

Directors

G J Bicknell
M J Branigan
I A Duncan
J Mara
L McIlwee
S Riffner
W Stobart
B M Whawell

Secretary

R H C Nichols FCIS

Bankers

Royal Bank of Scotland Plc
Waterloo Street
Bolton
BL1 8FH

Auditors

KPMG Audit LLC
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Registered Office

Stretton Green Distribution Park
Langford Way
Appleton
Warrington
WA4 4TQ

Registered in England

with company number 8922456

Eddie Stobart Vision:

“We will be recognised for our pride and professionalism in delivering innovative customer solutions and service excellence”

Highlights for the year:

- **Underlying revenue growth of 1.6% from £488.5m to £496.5m on a like-for-like basis despite a wet summer and pressure within the retail and consumer markets**
- **Underlying EBITDA growth of 5.8% from £42.0m to £44.5m on a like-for-like basis reflective of an organisational redesign and a focus on cost reduction**
- **Underlying EBIT growth of 8.0% from £34.9m to £37.7m on a like-for-like basis**
- **Strategic disposal of non-core Automotive UK on attractive terms and a £7.5m profit (excluded from underlying EBITDA)**
- **Secured a number of significant customer wins towards the end of the financial year with the full benefit to be delivered in future periods**
- **Increased depth added to the executive management team to support future growth**
- **Further investment in people with £1m spent on a state-of-the-art training and service support centre**
- **Business sector re-organisation to meet customer needs and provide a strategic service**
- **Investment in modern warehousing to expand available space in desirable, well placed locations**
- **Accident frequency rate fallen by 9% reflecting the strong commitment to health and safety**

Strategic Report

The directors present the audited consolidated financial statements, including their Strategic Report, of Greenwhitestar UK Plc and subsidiaries ("the Group") for the year ended 30 November 2015.

Principal activities

On 10 April 2014 Greenwhitestar UK Plc ("the Company") acquired, through its wholly-owned subsidiary Greenwhitestar Acquisitions Limited, Eddie Stobart Logistics Limited, which is the immediate holding company of the trading companies in the Eddie Stobart Logistics group ("Eddie Stobart"). The principal activities of the Company and Greenwhitestar Acquisitions Limited are finance and holding companies for Eddie Stobart.

Eddie Stobart provides transport and distribution services, container handling, contract logistics and warehousing facilities and value-added services, throughout the United Kingdom, Ireland and in continental Europe.

With approximately 2,000 trucks, 3,400 trailers and 4,600 directly employed employees, operating 6.1 million square feet of warehousing over 21 sites and 5 rail services, Eddie Stobart meets the distribution and warehousing requirements of many of the UK's leading businesses.

Eddie Stobart's strategy is to continue developing the business by increasing its customer base and geographical spread and by driving through greater efficiencies in its core operations, so delivering increased value for its stakeholders. The board believes that the quality of service provided by Eddie Stobart and the strength of the brand supports significant opportunities for future growth. This will be achieved through a combination of the knowledge and expertise from the existing management team, enhanced business development functions and leveraging the skills and experience of its shareholders.

Operating and financial review

Industry trading conditions have been difficult across core markets during the year, with margins and volumes in the retail and consumer markets in particular coming under pressure from discounters and product volumes being impacted by the relatively wet summer as compared to the prior year. Against this backdrop the Board is pleased that the results, on a like-for-like basis, demonstrate a level of improvement. A like-for-like 1.6% growth in revenue and a like-for-like 5.8% growth in underlying EBITDA demonstrate that the Group has performed well against challenging economic trading conditions with the year on year increase being achieved through focusing on higher margin markets, improved cost controls and additional value added services from within warehousing.

Fuel costs have decreased significantly over the course of the year. The impact on revenues and cost of sales has been a decrease of £12m; however, this has no bearing on EBITDA as under the matched contract pricing mechanism, Eddie Stobart passes the benefit of decreasing fuel prices back to the customer.

A combination of strong operating cash inflows and the proceeds arising from the sale of the UK vehicle logistics business has allowed the company to repay £21m of borrowings. The repayment puts the Group in a stronger position to finance future growth and reduces interest cost in future periods.

A brief analysis of the key financial performance indicators on a like-for-like basis is set out below, in addition to some selected operational metrics:

	Underlying 2015 £'m	Underlying 2014 £'m	%
Revenue	496.5	488.5	1.6%
Underlying EBITDA *	44.5	42.0	5.8%
Underlying EBIT *	37.7	34.9	8.0%
	2015	2014	
Trucks (units)	1,961	1,940	1.1%
Trailers (units)	3,369	3,142	7.2%
Warehouse space (million square feet)	6.1	5.5	10.9%

* Underlying EBIT is defined as Profit from operating activities before restructuring costs, amortisation of acquired intangibles, DBAY management services costs, investor related costs and after adding back share of profit from equity accounted investees. Underlying EBITDA is defined as Underlying EBIT before depreciation of property, plant and equipment. A full reconciliation with the income statement is provided in Note 6.

Strategic Report (continued)

In comparing the relative performance of the Group, management have sought to normalise the prior reporting period in order to provide users of the financial statements with a better understanding of changes in trends and key performance indicators. In doing so, the performance of discontinued operations have been removed and presented separately, see Note 3 of the financial statements. In addition the reporting periods have been aligned to reflect twelve months of reporting, fuel costs have been normalised and exceptional items have been removed. A reconciliation to reported revenue, EBIT and EBITDA can be found in note 6 of the financial statements.

Disposal of Automotive UK on attractive terms

The UK part of the vehicle logistics business was sold to BCA Trading Limited on 25th August 2015 for gross cash proceeds of £16.0m and a profit on disposal of £7.5m. The disposal generated a premium price and disposed of the defined benefit pension scheme, which was in deficit. Strategically, the Automotive UK operations required significant further work to be fully integrated into the existing operating business model of flexible asset utilisation, and therefore removes a low margin business which was considered to be non-core. The disposal will free up senior management time to focus on targeting higher growth opportunities and transfers approximately £9m of finance leases to the purchaser, further reducing indebtedness.

A full listing of the subsidiaries disposed of in the transaction can be found in note 3 of the financial statements.

The automotive operations in continental Europe have been retained and form part of the platform for continued growth into the European general haulage sector. The number of locations and resource available is valuable in providing service to existing customers and in facilitating expansion as new customers are acquired.

Increased depth added to the executive management team

On 29 April 2015 Alex Laffey was appointed to the role of Chief Executive Officer of Eddie Stobart. Formerly Tesco Distribution Director, Alex was at the helm of Tesco's entire distribution network, delivering to over 3,000 stores and with over 50 million cases per week. The appointment was made to further strengthen the executive management team, ensuring the optimal level of resource and experience at the top of the business to support its continued growth.

In parallel to the appointment, William Stobart became Executive Chairman. From this position William will lead the newly created Special Customer Operations business segment, created to help develop and leverage the brand. This will be achieved via various activities, including international sport, continuing to innovate and develop the fleet, driving value added services by pro-actively managing the property portfolio and evaluating different ways in which customer service can be improved and the business de-risked.

Organisational redesign and people development

During the year senior management carried out an extensive and thorough review of the business organisation, concluding that adopting a more strategic and a less transactional approach would serve customers requirements better and therefore ultimately deliver greater value and growth to the business.

Whilst the primary objective for the organisational redesign was strategic, cost continues to be a major area of focus, as the Group strives to achieve improved margins whilst delivering exceptional value to its customers. The cost base is under constant review, during weekly and monthly reporting, and in all areas of the business and at all layers of management. A reduction in headcount will result in significantly lower central overhead costs, partially realised during the current year but with the full benefit recurring in future years.

Following investment of £1m, a training and service support centre based in Appleton was opened in November 2015 by HRH The Princess Royal and is already bringing in benefits from an improvement in the level of training and support provided to the business. A new state-of-the-art training academy is located within the centre, allowing delivery of driver CPC, ADR, warehouse training in "live" environments and a wide range of other training programmes. The new centre consolidated activities carried on at two separate locations resulting in a reduction in operating costs and is also helping to secure a healthy driver pipeline.

Strategic Report (continued)

Towards the end of the year the board and executive management team set out the vision and values of the business with a view to embarking upon a journey towards enhancing the existing culture and further embedding the values of Eddie Stobart. The vision is: "We will be recognised for our pride and professionalism in delivering innovative customer solutions and service excellence". Initial training occurred shortly after year end and an initiative to engage all employees and fully roll out the visions and values will take place during the year.

Business sector re-organisation

In addition to the organisational redesign a review of the business operational structure was undertaken, developing detailed plans for the delivery of strategic targets for the growth of the business for the next three years.

The previous operational structure (split by operations, namely Ambient, Chilled, Soft Drinks and High Volume) has served the business extremely well over the last few years. However, the ever changing market place creates a need to adapt and in order to ensure the business continues to meet the needs of its customers a more focused sector approach is being implemented and will be complete in early 2016. The current operational business units will transition into the following new business sectors:

- Retail
- Consumer
- E-commerce & Fulfilment
- Manufacturing, Industrial & Bulk Tankers
- Automotive Europe
- Special Customer Operations

Each sector will be supported by the core services of Transport, Warehousing, Port and Rail Operations. The approach will enable business unit directors to focus on specific specialist customer needs and align services to match customers' strategic objectives, which will provide a strong basis to achieve growth from existing customers. The strategy is also expected to deliver increased volumes in attractive and complementary markets with different profiles of truck utilisation to existing business, therefore further balancing the fleet and improving utilisation. As previously noted, the newly created Special Customer Operations sector will also allow the business to leverage the brand, generating value through proactive property portfolio management and other value added activities.

Warehouse expansion to support growth

The business operates over 6.1 million square feet of ambient and fresh warehousing capacity at 21 strategic locations across the UK. Dedicated and multi-user facilities range from specialist and MHRA approved warehouses through large volume ambient facilities operated on a highly flexible and competitive basis, to Fresh Storage's chilled storage and consolidation facilities, all located at many of Britain's most desirable storage locations and maintained to benchmark standards.

Since mid-2014 over a million square feet of new warehousing space has been added in Dagenham, Daventry and Carlisle, all of which are fully utilised. The increased capacity demonstrates the commitment to providing a first class integrated network to customers and supports incremental revenue and profitability to the Group in the future. The Board continues to review its property portfolio seeking opportunities to assist customers in rationalising their operational strategies and underpin the Group's long-term growth.

Fleet development and management

The Eddie Stobart fleet has always been central to the success of the business and the delivery of future growth. Major developments in the year included establishing a presence in London Gateway with advanced plans to establish a presence in all major UK ports during 2016. Significant customer wins towards the end of the financial year and new business already won during 2016 will increase the number of deliveries by greater than 2,500 loads per week.

For many years Eddie Stobart has been at the forefront of developments in truck and trailer design and the use of technology to generate greater efficiencies that benefit the Group, the customer and the environment. Current key initiatives include:

Strategic Report (continued)

Truck and Trailer Aerodynamics – during the year the business has been working in collaboration with a top tier engineering consultancy to bring research around air flows and motor racing technology onto trucks and trailers, with a view to improving aerodynamics and reducing fuel consumption. The project has been highly successful in identifying ways to reduce drag and the addition of aerodynamic kit to the fleet is already delivering a positive impact to the cost base. Further developments are expected from an initiative currently under way to evaluate new trailer configuration and sizes, an area in which the Group continue to invest and innovate.

Fleet Utilisation – one of the primary drivers for efficiency is the maximisation of loaded miles. Eddie Stobart's fleet utilisation figures have long been significantly better than the wider industry standard and further improvements are expected by the strategy to expand volumes in attractive and complementary markets with different profiles of truck utilisation to existing business. The UK-wide networked fleet continues to operate at its very high utilisation levels, ensuring that empty miles are minimised.

Investment in the Fleet – fuel efficiency benefits and a drive to acquire the latest, greenest technology is achieved by continual and uninterrupted investment in the fleet. A deal agreed with Scania will see the opportunity to purchase 2,000 trucks from March 2016 onwards, with a range of specifications and harnessing an engine which has consistently broken fuel efficiency records in Europe. The Group already maintains a highly modern, efficient and reliable fleet with 98% of the Group controlled vehicles being Euro V and Euro VI compliant.

Advances in operational technology

The Group continues to invest in information systems and infrastructure and during the year embarked on a strategic investment in advanced Warehouse Management Systems (WMS) technology to underpin growth in the warehousing operations and provide a better, more efficient system for customers.

A comprehensive programme of investment is in place and underway which will drive further operational and back-office efficiencies and provide a solid platform for business growth. Key initiatives include:

- Next-generation in-vehicle technologies, which further support driver safety, streamline and automate transport administration and enhance overall performance.
- Customer Relationship Management (CRM) systems to support customer account management and growth from existing and new customers.
- Business Intelligence and Analytics tools to further accelerate the flow and availability of management information throughout the business.
- On-going investments in cloud-based systems, data centres and data network infrastructure to deliver further capacity, security and resilience to the business whilst leveraging unit cost reductions through new technologies and techniques.

A programme of enhancements to systems and processes in the back-office and support functions are also currently in progress.

Business risks

The Group is exposed to risks as a result of the internal and external environment. The Board operates a process to develop and maintain an internal risk register which it uses to identify and manage risks. A summary of the more significant risks specific to the Group's operations and industry is outlined below.

Incident Management - the Group operates an electronic accident management system. This provides accident, incident and near miss reporting, with accidents recorded on front facing cameras, providing the information required to manage this risk and improve controls, both to reduce the number of events in the future and to mitigate the financial cost of past events.

Information Technology - data is replicated and backed-up; supported by both external service providers and an in-house IT team. Documented protocols and risk assessments are in place, along with service level agreements with key suppliers. These are supported by an IT Business Continuity Plan to ensure risk is mitigated. System and data security was enhanced with a migration from an in-house data centre into a highly resilient, secure and scalable third party data centre for all of its key systems.

Strategic Report (continued)

Consumer Confidence – the Group provides a significant proportion of its services to UK retailers and its volumes may therefore be subject to fluctuations due to changes in the level of consumer spending. However, due to the nature of much of the underlying products, changes to the level of demand have not been as sensitive to general economic and consumer spending conditions. Whilst it would be impossible to mitigate this risk entirely, through its systematic fleet programme, the use of a proportion of agency drivers in addition to its own employed workforce and purchase of sub-contract services, the Group retains a significant level of flexibility of resource in order to cope with both short term and medium term fluctuations in demand.

Seasonality and Abnormal Weather – some of the Group's operations are seasonal. The Group's diversity has facilitated the creation of an advantage through seasonality by developing equipment that allow resource to be shared between segments and therefore re-directed as the seasons require. This mitigates the cost of seasonality and therefore should allow the Group to reduce its cost-base of reacting to this risk relative to its competitors. The Group aims to further reduce the impact of seasonality by growing in business sectors that have a complementary profile in respect of seasonal trading.

Government Legislation and Regulation – the Group's business is controlled under a variety of legislation and regulation to enhance the safety and environmental characteristics of this industry. Management ensures that it has appropriate procedures and controls in place to identify any changes in legislation and to ensure the necessary compliance and reporting in accordance with that legislation, supported by regular systems audits.

People – many aspects of the business performance are reliant upon certain key management. Procedural documentation is maintained to a high level to reduce the risk of staff turnover. Key management personnel are retained by competitive performance-based remuneration.

Fuel Prices - fuel represents a significant cost to the business and therefore fluctuations in price could have a significant effect on the cost of operation. The risk associated with fuel price movements is mitigated through the use of price escalators within customer contracts which allows for changes in fuel cost per litre to be reflected in the sales price.

Liquidity - there are financing facilities in place to support the planned activity and growth. If the rate of growth exceeds the budget, there may be a requirement for incremental working capital financing and the Group continues to undertake regular reviews of funding requirements as its growth plans evolve.

Health, Safety, Quality and Environment (HSQE)

HSQE is always at the forefront of the business and continues to be a key performance indicator formally reported and discussed at all Board meetings. In order to enhance the drive and commitment in this area the Business Processes & Quality team has been amalgamated with the Health & Safety department creating the Health, Safety, Quality and Environment department. This provides a dedicated resource to audit, monitor and provide support to ensure policies and procedures are in place and updated where required and to identify and reduce risk to help to ensure compliance with legal, company and customer requirements.

The business continues to invest in new technology such as cameras set to record the road circumstances immediately before and after a sudden change in speed, triggered by sensing the change in g-forces that might signify that an incident has occurred. In addition, driver performance is continually monitored by telematics which records harsh braking, harsh acceleration, idling and the use of cruise control. The combination of cameras and telematics has led to improvements in safety and fuel economy during the year.

The Group holds quality management and environmental accreditation for its provision of fleet management, warehousing and distribution services. The warehousing business is also European Food Safety Inspection Service (EFSIS) approved for the receipt, storage, order picking and dispatch of chilled and ambient-stable food products at Nottingham and Lutterworth. The Daresbury site is also accredited with a Wholesale Dealer's Licence from the Medicines and Healthcare Products Regulatory Agency (MHRA). Hawleys Lane, Warrington (including the Railhead at Widnes), Sherburn, DIRFT South, Belshill and the Lutterworth ambient site have all achieved the BRC Storage & Distribution Standard. This stringent approval is designed to ensure best practice in the distribution of products, and promotes continuous operational improvement; ensuring customers can have confidence in our supply chain management.

Strategic Report (continued)

Property values

The directors do not consider that there is any material difference between the market value of each of the Group's freehold properties and their book values, as shown in the Consolidated Balance Sheet at 30 November 2015.

Creditor payment policy

The Group policy for payment to suppliers is to delegate the responsibility for agreeing the trading terms and conditions with suppliers to the individual business units. At 30 November 2015, the amount of trade creditors in the Consolidated Balance Sheet represented 37 (2014: 50) days of average daily purchases for the Group.

Going concern

Management has undertaken a budgeting process for the financial year ending 30 November 2016, which includes a detailed profit and loss account, cash flow analysis and balance sheet, and a forecasting exercise for a number of years beyond this. This exercise has not identified any issues that would suggest any significant risk to the Group's continued trading position and the projections demonstrate that the Group is expected to remain within its existing finance facilities and their associated covenants. The Group's finance facilities are set out in Note 17 to the Consolidated Financial Statements. The Directors have therefore adopted the going concern basis in preparing these Consolidated Financial Statements.

On behalf of the Board



William Stobart

Executive Chairman

For and on behalf of Greenwhitestar UK Plc
Stretton Green Distribution Park
Langford Way
Appleton
Warrington
WA4 4TQ

Directors' Report

The directors present the audited consolidated financial statements, including their Directors' Report, of Greenwhitestar UK Plc and subsidiaries ("the Group") for the year ended 30 November 2015.

Result for the year

The profit for the year from continuing operations, after taxation, amounted to £4.5m (2014: £4.6m). The profit from the year from continuing and discontinued operations, after taxation, amounted to £11.5m (£2014: £4.4m).

Dividends

The Company has neither paid nor proposed any dividends in respect of the year ended 30 November 2015 (2014: nil).

Directors

The directors of the Company during the year and up to the date of signing the financial statements were:

S Riffner	(appointed 4 March 2014)	
W Stobart	(appointed 11 February 2015)	
M J Branigan	(appointed 11 February 2015)	
G J Bicknell	(appointed 11 February 2015)	
I A Duncan	(appointed 11 February 2015)	
J Mara	(appointed 11 February 2015)	
B M Whawell	(appointed 11 February 2015)	
L McIlwee	(appointed 1 April 2015)	
R Butcher	(appointed 11 February 2015)	(resigned 1 April 2015)
C Kingsnorth	(appointed 4 March 2014)	(resigned 11 February 2015)
A Pegge	(appointed 4 March 2014)	(resigned 11 February 2015)
M Haxby	(appointed 4 March 2014)	(resigned 11 February 2015)

Charitable and political donations

Charitable donations totalling £23,922 (2014: £12,901) were made during the year. There were no political donations during the year.

Disabled persons

The Company's policy is that any vacancy which arises is open to disabled persons, provided that they are able to fulfil the functions required by that job. Employees who have been injured or become disabled in the course of their employment are considered for other suitable vacancies.

Employee involvement

Employees are kept informed about the progress and position of the Group by means of regular departmental meetings and newsletters.

Issue of share capital

No new share capital was issued during the year.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Director's report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)

Auditor

KPMG Audit LLC was appointed as auditor during the year. KPMG Audit LLC has expressed a willingness to be re-appointed and in accordance with Section 485 of the Companies Act 2006, a resolution for the re-appointment of KPMG Audit LLC as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



Rupert H C Nichols FCIS

Company Secretary

On behalf of Greenwhitestar UK Plc

Stretton Green Distribution Park

Langford Way

Appleton

Warrington

WA4 4TQ

Statement of Directors' Responsibilities

Statement of Directors' responsibilities

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards in relation to the Group accounts; UK generally accepted accounting principles for the Company accounts and applicable law.

The financial statements are required by law to 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 these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditors

A resolution for the re-appointment of KPMG Audit LLC will be proposed at the forthcoming Annual General Meeting.

Independent auditor's report to the members of Greenwhitestar UK Plc

We have audited the Group and Company financial statements (the "financial statements") of Greenwhitestar UK Plc for the year from 1 December 2014 to 30 November 2015 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Cashflow Statement, the Company Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the EU for the Group and United Kingdom generally accepted accounting principles for the Company.

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 Statement of Directors' Responsibilities set out on page 11, 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

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 Group's and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Directors; 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Company's affairs as at 30 November 2015 and of its result for the year from 1 December 2014 to 30 November 2015;
- are in accordance with International Financial Reporting Standards as adopted by the EU for the Group and United Kingdom generally accepted accounting principles for the Company; and
- comply with the Companies Act 2006.

Independent auditor's report
to the members of Greenwhitestar UK Plc (continued)

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:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.



Simon Nicholas (Senior Statutory Auditor)
For and on behalf of ~~KPMG~~ Audit LLC, Statutory Auditor
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man, IM99 1HN

31 March 2016

Consolidated Income Statement

for the year ended 30 November 2015

	Note	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Continuing operations			
Revenue		496,477	346,508
Cost of sales		(386,357)	(280,879)
Gross profit		110,120	65,629
Administrative expenses		(75,462)	(42,260)
Amortisation of acquired intangibles	10	(9,509)	(6,339)
Administrative expenses before restructuring costs		(84,971)	(48,599)
Administrative expenses: restructuring costs	4	(2,614)	(392)
Total administrative expenses		(87,585)	(48,991)
Profit from operating activities: including restructuring costs		22,535	16,638
Profit from operating activities: before restructuring costs		25,149	17,030
Finance income	5	3	3
Finance expense	5	(16,683)	(10,224)
Net finance expense		(16,680)	(10,221)
Share of profit from equity accounted investees, net of tax	11	286	165
Profit before tax	6	6,141	6,582
Tax expense	7	(1,644)	(2,011)
Profit for the year from continuing operations		4,497	4,571
Discontinued operations			
Profit / (Loss) from discontinued operations net of tax	3	7,042	(122)
Profit for the year		11,539	4,449
Profit attributable to:			
Owners of the Company		11,539	4,422
Non-controlling interests		-	27
Profit for the year		11,539	4,449

Consolidated Statement of Comprehensive Income

for the year ended 30 November 2015

	Note	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Profit for the year		11,539	4,449
Items that will not be reclassified to profit or loss:			
Defined benefit plan actuarial losses		(438)	(648)
Tax on items that will not be reclassified to profit or loss	19	-	130
Total items that will not be reclassified to profit or loss		(438)	(518)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(766)	(434)
Foreign currency translation differences – equity-accounted investees	11	(76)	(30)
Effective portion of changes in fair value of cash flow hedges		-	(2,288)
Tax on items that are or may be reclassified subsequently to profit or loss	19	-	457
Total items that are or may be reclassified subsequently to profit or loss		(842)	(2,295)
Total comprehensive income for the year		10,259	1,636
Total comprehensive income attributable to:			
Owners of the Company		10,259	1,609
Non-controlling interests		-	27
Total comprehensive income for the year		10,259	1,636

Consolidated Statement of Changes in Equity

for the year ended 30 November 2015

	Attributable to equity holders of the Company						Non-controlling interest £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Translation reserve £'000	Hedge reserve £'000	Retained earnings £'000	Total £'000		
Balance at 1 December 2014	703	64,647	(464)	(1,831)	3,904	66,959	93	67,052
Profit for the year	-	-	-	-	11,539	11,539	-	11,539
Total other comprehensive income	-	-	(842)	-	(438)	(1,280)	-	(1,280)
	703	64,647	(1,306)	(1,831)	15,005	77,218	93	77,311
Changes in ownership interests in subsidiaries								
Disposal of subsidiary with non-controlling interests	-	-	-	-	93	93	(93)	-
Total contributions by and distributions to owners of the Company	-	-	-	-	93	93	(93)	-
Balance at 30 November 2015	703	64,647	(1,306)	(1,831)	15,098	77,311	-	77,311

	Attributable to equity holders of the Company						Non-controlling interest £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Translation reserve £'000	Hedge reserve £'000	Retained earnings £'000	Total £'000		
Profit for the period	-	-	-	-	4,422	4,422	27	4,449
Total other comprehensive income	-	-	(464)	(1,831)	(518)	(2,813)	-	(2,813)
	-	-	(464)	(1,831)	3,904	1,609	27	1,636
Contributions by and distributions to owners of the Company								
Issue of ordinary shares related to business combination	703	64,647	-	-	-	65,350	-	65,350
Changes in ownership interests in subsidiaries								
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	66	66
Total contributions by and distributions to owners of the Company	703	64,647	-	-	-	65,350	66	65,416
Balance at 30 November 2014	703	64,647	(464)	(1,831)	3,904	66,959	93	67,052

Consolidated Statement of Financial Position

as at 30 November 2015

	Note	30 November 2015 £'000	30 November 2014 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	36,787	47,426
Intangible assets and goodwill	10	225,461	234,970
Investments in equity accounted investees	11	419	845
		262,667	283,241
Current assets			
Inventories	12	1,943	2,169
Trade and other receivables	13	114,921	116,610
Current tax asset		511	627
Cash and cash equivalents	14	4,097	8,374
		121,472	127,780
Total assets		384,139	411,021
Liabilities			
Current liabilities			
Loans and borrowings	17	(5,504)	(11,169)
Trade and other payables	15	(99,613)	(108,831)
Provisions	18	(3,456)	(1,638)
		(108,573)	(121,638)
Non-current liabilities			
Loans and borrowings	17	(168,464)	(188,620)
Employee benefits		-	(2,941)
Trade and other payables	16	(17,416)	(17,093)
Deferred tax liabilities	19	(11,793)	(13,224)
Provisions	18	(582)	(453)
		(198,255)	(222,331)
Total liabilities		(306,828)	(343,969)
Net assets		77,311	67,052
Equity			
Share capital	20	703	703
Share premium	20	64,647	64,647
Translation reserve	20	(1,306)	(464)
Hedge reserve	20	(1,831)	(1,831)
Retained earnings		15,098	3,904
Total equity attributable to owners of the Company		77,311	66,959
Non-controlling interests		-	93
Total equity		77,311	67,052

The Consolidated Financial Statements on pages 14 to 44 were approved by the Board of Directors on 30 March 2016 and were signed on its behalf by:

William Stobart
Executive Chairman



Company Number: 8922456

Consolidated Cash Flow Statement

for the year ended 30 November 2015

		Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
	Note		
Cash flows from operating activities			
Profit for the year		11,539	4,449
Adjustments for:			
Depreciation	6	6,771	4,905
Amortisation of intangible assets	10	9,509	6,339
Net finance costs	5	16,680	10,220
Share of profit of equity-accounted investees, net of tax	11	(286)	(165)
Gain on sale of property, plant and equipment	6	(680)	(356)
Profit on disposal of vehicle logistics businesses	3	(7,465)	-
Tax expense	7	1,644	1,614
Changes in:			
Inventories		225	255
Trade and other receivables		2,738	(5,812)
Trade and other payables		(7,335)	17,463
Provisions and employee benefits		(1,589)	(652)
Deferred income/revenue, including government grant		298	(1,147)
Cash inflow from discontinued operations		680	1,005
Cash generated from operating activities		32,729	38,118
Net interest paid		(12,806)	(6,483)
Income taxes paid		(3,889)	(1,386)
Net cash generated from operating activities		16,034	30,249
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment		7,509	1,036
Proceeds from disposal of discontinued operations, net of cash disposed		11,177	-
Acquisition of subsidiaries, net of cash acquired		-	(207,398)
Purchase of property, plant and equipment		(7,664)	(1,975)
Purchase of brand name license		-	(13,700)
Dividends received from equity accounted investees	11	197	145
Cash inflow from discontinued operations		323	224
Net cash generated from / (used by) investing activities		11,542	(221,668)
Cash flows from financing activities			
Proceeds from issue of share capital		-	65,300
Drawdown of new borrowings		-	3,491
Draw down of financing facility, net of costs		-	148,250
Issuance of loan notes		-	22,759
Repayment of bank borrowings		(21,125)	(36,165)
Payment of capital element of finance lease liabilities		(10,709)	(3,563)
Cash inflow from discontinued operations		(19)	(279)
Net cash (used in) / generated from financing activities		(31,853)	199,793
Net increase in cash and cash equivalents		(4,277)	8,374
Cash and cash equivalents at the start of the financial year		8,374	-
Effect of exchange rate fluctuations on cash held		-	-
Cash and cash equivalents at the end of the financial year	14	4,097	8,374

Notes to the Consolidated Financial Statements

for the year ended 30 November 2015

1. Principal Accounting Policies

Greenwhitestar UK Plc (the 'Company') is a company domiciled in the United Kingdom. The address of the Company's registered office is Stretton Green Distribution Park, Langford Way, Appleton, Warrington, WA4 4TQ. The Consolidated Financial Statements of the Company as at and for the year ended 30 November 2015 comprise the Company and its subsidiaries (referred to as the 'Group') and the Group's interest in associates and jointly controlled entities.

Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with IFRS and the International Financial Reporting Interpretation Committee ('IFRIC') interpretations endorsed by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements for the Company have been prepared in accordance with UK GAAP. Accordingly, the Company's accounting policies are included in note 26.

Significant accounting policies

The accounting policies set out below have been applied consistently in these Consolidated Financial Statements, and have been applied consistently by Group entities.

Going concern

Management has completed a budgeting process for the financial year ending 30 November 2016, incorporating a detailed profit and loss account, cash flow analysis and balance sheet and a forecasting exercise for a number of years beyond this. This exercise has not identified any issues that would suggest any significant risk to the Group's continued trading position and the projections demonstrate that the Group is expected to remain within its existing finance facilities and their associated covenants. The Directors have therefore adopted the going concern basis in preparing these Consolidated Financial Statements.

Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis, except intangible assets acquired in business combinations which are measured at fair value.

Basis of consolidation

(i) Business combinations - business combinations are accounted for using the acquisition method as at the acquisition date (when control is transferred to the Group). An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Non-controlling interests - for each business combination, the Group measures any non-controlling interests in the acquiree at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

Basis of consolidation (continued)

(iii) Subsidiaries - subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

(iv) Loss of control of a subsidiary- on the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

(v) Investments in associates and jointly controlled entities (equity-accounted investees) - associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 percent and 50 percent of the voting power of another entity. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for under the equity method and are recognised initially at cost. The cost of the investment includes transaction costs. The Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(vi) Transactions eliminated on consolidation - intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the Consolidated Financial Statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) Discontinued Operations – the post-tax results of discontinued operations along with any gain or loss recognised on the measurement to fair value less costs to sell on the disposal of the assets or disposal groups constituting the discontinued operation are disclosed as a single amount in the Consolidated Income Statement. The comparative period results are restated accordingly. Further analysis of the results and cash flows from discontinued operations is set out in Note 3.

(viii) Comparative accounting period – the prior period comparative represents an 8 month reporting period from 1 April to 30 November 2014.

Foreign currency

(i) Foreign currency transactions - transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

(ii) Foreign operations - The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at exchange rates at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

Financial instruments

(i) Non-derivative financial asset - Loans and receivables, including financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables. Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(ii) Non-derivative financial liabilities - financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings, debt securities issued, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the statement of cash flows.

(iii) Share capital - ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including any directly attributable capitalised borrowing costs and an estimate of any future costs of dismantling and removing the items and restoring the site on which they are located.

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised within administrative expenses in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives for significant items of property, plant and equipment are as follows:

- Freehold buildings: 2% - 5% per annum straight line
- Leasehold land and buildings: 1% straight line, or period of lease if shorter
- Vehicles and trailers: 3 - 10 years straight line and 25% reducing balance as appropriate
- Plant and equipment: 3 - 7 years straight line and between 15% - 20% reducing balance as appropriate
- Fixtures and fittings: 3 - 5 years straight line and between 20% - 33% reducing balance as appropriate

Intangible assets and goodwill

Goodwill that arises on the acquisition of subsidiaries is presented within intangible assets. The measurement of goodwill at initial recognition is explained in the Business combinations policy set out above. Subsequently, Goodwill is measured at cost less accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Notes to the Consolidated Financial Statements (continued) for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

- Brands and trademarks: 6 years
- Customer relationships: 15 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Impairment

(i) Non-derivative financial assets - a financial asset not classified at fair value through profit or loss, including an interest in an equity-accounted investee, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

(ii) Non-financial assets - the carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

(i) Short-term employee benefits - short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

(ii) Defined contribution plans - a defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Defined benefit plans – during the year the Group disposed of the UK based vehicle logistics business, thereby also disposing of the defined benefit plan operating within its trading entities.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on the expected future cash flows. When it has a material effect, these are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of any discount is recognised as a finance cost. The policies used to determine specific provisions are:

(i) Lease remediation and site restoration - provisions are established over the life of leases to cover remedial work necessary at termination under the terms of those leases.

(ii) Onerous contracts - a provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(iii) Employee restructuring - a provision for employee restructuring costs is made once the Group is committed to any restructuring plans, which require a change to the status of employees that have a cost implication.

Revenue

Revenue from the provision of services is recognised in the Consolidated Income Statement on the delivery of those services based on the proportion of the total delivered at the balance sheet date. It is recognised at the fair value of consideration receivable, net of trade discounts, volume rebates and VAT.

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised.

Leases

(i) Leased assets - assets held by the Group under leases which transfer substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

(ii) Lease payments - payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Where leases contain escalation clauses that stipulate specific increases to the rental payable, the operating lease expense is recorded on a straight line basis. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

Rental income

Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and the net interest cost from accounting for defined benefit pension schemes. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax - is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

(ii) Deferred tax - is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

New standards and interpretations

New and amended IFRS standards applicable for the year to 30 November 2015.

Title	Key Issues	Effective Date	Impact on GWS
IFRS 10 Consolidated Financial Statements	Establishes a single basis – control- to determine whether an entity should be included in the consolidated financial statements. Provides additional guidance to assist in the determination of control in circumstances in which this is difficult to assess.	Periods beginning on or after 1 January 2014 for EU preparers.	No impact
IFRS 11 Joint Arrangements	Introduces an amended approach to joint arrangements, which focuses on rights and obligations rather than legal form, and provides amended guidance on how joint operations and joint ventures should be accounted for. Proportionate consolidation is no longer permitted.	Periods beginning on or after 1 January 2014 for EU preparers.	No impact
IFRS 12 Disclosure of Interests in Other Entities	A new and comprehensive standard providing disclosure requirements for all forms of interests in other entities including subsidiaries, joint arrangements, associates etc.	Periods beginning on or after 1 January 2014 for EU preparers.	Additional disclosures provided where appropriate

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

1. Principal Accounting Policies (continued)

IAS 27 Separate Financial Statements	Contains the accounting and disclosure requirements for investments in subsidiaries, joint arrangements and associates when an entity prepares separate financial statements.	Periods beginning on or after 1 January 2014 for EU preparers.	No impact
IAS 28 Investments in Associates and Joint Ventures	Prescribes the accounting treatment for investments in associates and joint ventures, and slightly modifies the accounting required when a portion of an investment in an associate or joint venture is held for sale	Periods beginning on or after 1 January 2014 for EU preparers.	No impact
Amendments to IFRS 10, IFRS 11 and IFRS 12 - Transition Guidance	Provides additional transition relief in IFRS 10, 11 and 12 by limiting the requirement to provide adjusted comparative information to only the preceding comparative period.	Periods beginning on or after 1 January 2014 for EU preparers.	Additional disclosures provided where appropriate

At the date of authorisation of these financial statements, the following standards and interpretations, relevant to the Group, which have not been applied to these financial statements, were in issue, but not yet effective:

Title	Key Issues	Effective Date	Impact on GWS
IAS 1 Disclosure Initiative	Amends IAS 1 Presentation of Financial Statements to address perceived impediments to preparers exercising their judgment in presenting their financial statements. Provides clarification that information should not be obscured by aggregating or providing immaterial information and that materiality considerations apply to all parts of the financial statements, even when a standard requires a specific disclosure.	Periods beginning 1 January 2016	Presentational considerations only.
IFRS 15 Revenue from Contracts with Customers	The new standard is a single global revenue standard that contains a single model that applies to two approaches, being at point in time and over time. For complex transactions with multiple components, variable consideration or extended periods, application of the standard can lead to revenue being accelerated or deferred in comparison to current IFRS.	Periods beginning 1 January 2018, deferred from 1 January 2017	Key revenue streams are unlikely to be substantially affected.
IFRS 9 Financial Instruments	IFRS 9 was introduced in 2014 as a complete standard including the requirements previously issued and the additional amendments to introduce a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets.	Periods beginning 1 January 2018	No material impact anticipated.
IFRS 16 Operating Leases	IFRS 16 was issued in January 2016 and is effective from 1 January 2019, eliminating the classification of leases as operating leases or finance leases and setting out a single lease accounting model.	Periods beginning 1 January 2019 subsequent to EU endorsement	Significant impact on balance sheet & P&L presentation and measurement which is currently under review.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

2. Summary of Significant Accounting Judgements and Fair Value estimates

Significant accounting judgements

In preparing these Financial Statements, the Board makes judgements, estimates and assumptions regarding the future. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements, estimates and assumptions that carry the most significant risk of causing a material adjustment within the next financial year to the amounts included in these Financial Statements are explained below:

- (i) Determination of fair values of intangible assets acquired in business combinations - these estimates have predominantly been prepared in consultation with third party advisors, but nevertheless contain estimates of future business performance, cash flows and discount rates.
- (ii) Useful lives of intangible assets and property, plant and equipment - the useful lives of intangible assets rely on various internal and external factors which could turn out to be different from the assumptions employed in determining their useful life. The useful lives of property, plant and equipment is also dependent upon estimates of the period over which an asset is expected to generate profits, which includes an assessment of the reliability, longevity and cost of maintenance of those assets. The Board periodically reviews the major classes of assets to ensure that the periods over which they are amortised or depreciation is appropriate.
- (iii) Estimated value of provisions - these estimates, by their nature, tend to involve judgement in respect of the current knowledge pertaining to a future event and as such the actual cash flows and the timing of those cash flows may be different.
- (iv) Impairment of goodwill - the Group is required to perform an annual impairment test on goodwill by reference to its value in use or its fair value, less costs of disposal. This requires an estimate of future business performance, cash flows and discount rates all of which rely on estimates and judgements of future events and may therefore be subject to change.
- (v) Taxation - the tax balances are calculated based on an assessment of the tax treatment of income and costs and the availability of tax losses and group reliefs. The calculation of deferred tax balances also includes an estimate of future profits. The calculations are prepared in consultation with third party advisors but due to the estimates and judgements required may still be subject to change.
- (vi) Classification of certain leases - judgment is required in certain leases that contain buyback clauses over the extent of risk that remains at the end of the lease term and therefore whether the lease is classified as a finance or operating lease. However, once these judgments have been made, no change to the lease classification is expected.

Fair value estimates

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (i) Property, plant and equipment - the fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which property could be exchanged on the acquisition date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
- (ii) Intangible assets - the fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows. Brand names held under licence are valued at their amortised cost.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

2. Summary of Significant Accounting Judgements and Fair Value estimates (continued)

Fair value estimates (continued)

(iii) Trade and other receivables - the fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iv) Interest rate swaps - the fair values of interest rate swaps are based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

3. Disposal of the UK Vehicle Logistics Business

The Group disposed of a controlling interest in the UK vehicle logistics business on 25 August 2015, whilst retaining its interest in the European based vehicle logistics business.

The results of the disposed businesses have been reported separately as a single amount presented within discontinued operations. The operation represented a separate major line of business.

The profit, net of tax, from discontinued operations for the year was £7,042,000 (2014: profit of £17,000). The consideration, net of disposal costs, was £15,750,000, all paid in cash. The profit on disposal recorded within discontinued operations was £7,465,000 after deducting fees and other costs directly related to the disposal. Immediately prior to disposal, a revaluation of the defined benefit scheme led to a defined benefit actuarial loss of £438,000 (2014: £648,000). This loss was recorded in the Statement of Comprehensive Income and reduced the net assets of the disposed of entities by an equal amount.

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Results of discontinued operations		
Revenue	54,648	47,846
Cost of sales	(51,455)	(45,167)
Administrative expenses	(3,232)	(1,876)
Operating (loss) / profit	(39)	803
Transaction costs	(234)	-
Restructuring costs	(18)	(1,197)
Net finance costs	(132)	(125)
Profit on disposal of business	7,465	-
Profit before tax	7,042	(519)
Tax	-	397
Profit / (loss) for the year from discontinued operations, net of tax	7,042	(122)

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Cash flows used in discontinued operations		
Net cash from operating activities	680	1,005
Net cash from investing activities	323	224
Net cash used in financing activities	(19)	(279)
Net cash flows for the year	984	950

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

3. Disposal of the UK Vehicle Logistics Business (continued)

A full listing of the entities disposed of as part of the disposal is provided below:

		Proportion of ordinary share capital held		Country of incorporation
Company name	Business activity	Directly	Indirectly	
Subsidiary undertakings				
Walon Limited	Contract logistics		100%	England
Walon Automotive Services Limited	Contract logistics		100%	England
Stobart Automotive Limited	Holding company		100%	England
Sensible Automotive Limited	Contract logistics		100%	England
Autotrax Limited	Property investment		76%	England
Autolink Limited	Contract logistics		100%	England

4. Restructuring costs

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Restructuring costs included in administrative expenses		
Restructuring costs	(2,614)	(206)
Advisers costs relating to the purchase of the business	-	(163)
Other	-	(23)
Total restructuring costs	(2,614)	(392)
Tax credit	531	78
Total restructuring costs after tax	(2,083)	(314)

During the year senior management carried out an extensive and thorough review of the business organisation concluding that a more strategic approach needed to be taken in certain areas. The subsequent organisational redesign during the year resulted in one-off, non-recurring costs.

5. Finance Income and Finance Expense

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Finance income		
Bank interest receivable	3	3
Finance expense		
Interest payable on bank loans and overdrafts	(10,610)	(6,504)
Amortisation of bank fees	(1,679)	(1,072)
Interest payable on loan notes	(3,491)	(2,003)
Interest payable on finance leases	(903)	(645)
Total finance expense	(16,683)	(10,224)

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

6. Profit Before Tax

The following items have been included in arriving at profit before income tax:

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Employee benefits (note 21)	143,780	107,504
Depreciation of property, plant and equipment – continuing operations	6,771	4,905
Depreciation of property, plant and equipment – discontinued operations	814	716
Amortisation of intangible assets	9,509	6,339
Profit on disposal of property, plant and equipment	680	356
Operating lease rentals payable:		
- land and buildings	27,466	14,706
- plant and equipment	4,174	795
- commercial vehicles	27,135	22,825

Auditors' Remuneration

During the year, the Group (including overseas subsidiaries) obtained the following services from the Group's auditors at costs as detailed below:

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Audit Services		
Fees payable to the Company's auditors for the audit of the Parent Company and the Consolidated Financial Statements	30	30
Fees payable to the Company's auditors and its associates for the audit of the Company's subsidiaries pursuant to legislation	186	208
Non-Audit Services		
For other services	55	48

Reconciliation to Underlying EBIT and EBITDA

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Reported profit from operating activities: before restructuring costs	25,149	17,030
Normalise reporting periods for "like-for-like" comparison	-	9,941
Amortisation of acquired intangibles	9,509	6,339
Management charges	2,653	1,273
Investor related costs	122	125
Share of profit from equity accounted investees	286	220
Underlying EBIT before restructuring costs	37,719	34,928
Depreciation	6,771	7,109
Underlying EBITDA before restructuring costs	44,490	42,037

In comparing the relative performance of the Group, management have sought to normalise the prior reporting period in order to provide users of the financial statements with a better understanding of changes in trends and key performance indicators the reporting periods have been aligned to reflect twelve months of reporting, fuel costs have been normalised and exceptional items have been removed.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

7. Taxation

Total tax charged in the Income Statement in respect of continuing operations

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Current income tax		
UK Corporation tax		
- Continuing operations	2,573	2,341
- Discontinued operations	-	(397)
Overseas corporation tax	744	437
Adjustments in respect of prior periods	442	-
Total current tax charge	3,759	2,381
Deferred taxation credit		
Origination and reversal of temporary differences	(1,079)	(767)
Adjustments in respect of prior periods	440	-
Effect of rate change on opening balance	(1,476)	-
Total charge in the income statement	1,644	1,614
Tax expense split by:		
Continuing Operations	1,644	2,011
Discontinued Operations	-	(397)

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Income tax (credit) on items charged to equity		
Deferred tax (credit) on actuarial losses on retirement benefit schemes	-	(130)
Deferred tax (credit) on effective portion of changes in fair value of cash flow hedges	45	(457)
Disposal of retirement benefit scheme	639	-
Total Income tax charged / (credited) on items charged to equity	684	(587)

The deferred tax credit in the income statement is analysed as follows:

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Accelerated allowances on plant and machinery	1,352	259
Amortisation of intangible assets and associated income	(3,084)	(1,076)
Pension scheme accounting	(50)	50
Other temporary movements	(333)	-
Total deferred tax	(2,115)	(767)

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

7. Taxation (continued)

The above expense reconciles with the standard rate of corporation tax in the UK as follows:

	Year ended 30 November 2015 £'000	Period ended 30 November 2014 £'000
Profit before tax on continuing and discontinued operations	13,183	6,063
Profit before tax on continuing and discontinued operations multiplied by the standard rate of corporation tax in the UK of 20.33% (2014: 21%)	2,680	1,273
Effects of:		
Tax effect of share of profit from equity accounted investees	(58)	(35)
Expenses / (income) not deductible for tax purposes including profit on disposal	(609)	628
Effect of different tax rates on overseas profits	(55)	(263)
Impact of change in rate *	(1,196)	11
Deferred tax disposed of	355	-
Adjustments in respect of prior periods	527	-
Total tax expense	1,644	1,614
Tax expense split by:		
Continuing Operations	1,644	2,011
Discontinued Operations	-	(397)

* A reduction in the UK corporation tax rate from 23% to 21% became effective from 1 April 2014. The rate reduction to 20% with effect from 1 April 2015 has been substantively enacted and therefore the standard rate of corporation tax for the year was 20.33%. Following a review of the expected maturity profile of the deferred tax liability a rate of 18% has been applied at 30 November 2015.

Factors that may affect future tax expenses

The Group has not recognised deferred tax assets in respect of trading losses with a tax value of £1.2m (2014: £2.4m) in the UK and therefore, to the extent that these losses may be used against profits arising in future periods, the effective tax rate on these profits may be reduced. Other than certain items noted in the tax reconciliation above, there are no other significant factors that may affect future tax expenses.

8. Dividends

No interim dividend was paid during the year ended 30 November 2015 and at the date of approving these Financial Statements, no final dividend has been recommended in respect of the year ended 30 November 2015.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

9. Property, Plant and Equipment

Year ended 30 November 2015

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Commercial vehicles £'000	Total £'000
Cost at 1 December 2014	18,540	5,773	1,926	23,476	49,715
Effects of movements in foreign exchange	(112)	(3)	(2)	(248)	(365)
Additions in the year	4,609	3,865	485	8,143	17,102
Disposals	(1)	(921)	-	(13,415)	(14,337)
Disposal of discontinued operations	(3,340)	(968)	(206)	(3,364)	(7,878)
At 30 November 2015	19,696	7,746	2,203	14,592	44,237
Accumulated depreciation at 1 December 2014	799	873	448	169	2,289
Charge for the year	1,147	1,396	636	4,406	7,585
Disposals	-	(270)	-	(592)	(862)
Disposal of discontinued operations	(353)	(922)	(84)	(203)	(1,562)
At 30 November 2015	1,593	1,077	1,000	3,780	7,450
Net book value at 30 November 2015	18,103	6,669	1,203	10,812	36,787

As at 30 November 2015, the balances held in respect of assets held under finance leases and hire purchase agreements are shown below:

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Commercial vehicles £'000	Total £'000
Cost	3,724	1,085	-	11,581	16,390
Aggregate depreciation	(851)	(422)	-	(769)	(2,042)
Net book value at 30 November 2015	2,873	663	-	10,812	14,348

Period ended 30 November 2014

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Commercial vehicles £'000	Total £'000
Cost					
Acquisitions at fair value through business combinations	18,346	4,359	1,738	22,498	46,941
Effects of movements in foreign exchange	(45)	(1)	(3)	(92)	(141)
Additions in the period	256	1,419	224	5,631	7,530
Disposals	(17)	(4)	(33)	(4,561)	(4,615)
At 30 November 2014	18,540	5,773	1,926	23,476	49,715
Accumulated depreciation					
Charge for the period	812	873	469	3,333	5,487
Disposals	(13)	-	(21)	(3,164)	(3,198)
At 30 November 2014	799	873	448	169	2,289
Net book value at 30 November 2014	17,741	4,900	1,478	23,307	47,426

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

9. Property, Plant and Equipment (continued)

As at 30 November 2014, the balances held in respect of assets held under finance leases and hire purchase agreements are shown below:

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Commercial vehicles £'000	Total £'000
Cost	3,894	1,273	-	22,268	27,435
Aggregate depreciation	(170)	(188)	-	(2,434)	(2,792)
Net book value at 30 November 2014	3,724	1,085	-	19,834	24,643

10. Goodwill and intangible assets

	Goodwill £'000	Brand names £'000	Customer relationships £'000	Total £'000
Cost				
At 1 April 2014	132,133	-	86,876	219,009
Additions in the period	-	22,300	-	22,300
At 30 November 2014	132,133	22,300	86,876	241,309
At 30 November 2015	132,133	22,300	86,876	241,309
Amortisation and impairment				
At 1 April 2014	-	-	-	-
Amortisation charge for the period	-	2,478	3,861	6,339
At 30 November 2014	-	2,478	3,861	6,339
Amortisation charge for the year	-	3,717	5,792	9,509
At 30 November 2015	-	6,195	9,653	15,848
Net book value				
At 30 November 2014	132,133	19,822	83,015	234,970
At 30 November 2015	132,133	16,105	77,222	225,461

Goodwill and Customer Relationship intangible assets were acquired as part of the acquisition of the Eddie Stobart Logistics Limited Group.

Brand names comprise the Eddie Stobart trademark and designs, which have been licensed to the Group and are being amortised over 6 years. Customer relationships represent the existing contractual and expected future relationships with customers of the Group at the point of acquisition and are being amortised over 15 years.

Goodwill is considered to have an indefinite life because there is no foreseeable limit to the period over which it is expected to generate net cash inflows for the Group. Factors taken into consideration in this judgment are the long period over which the business has been established, the strength of the brand awareness and the longevity of the industries in which the business is involved.

The goodwill has been allocated to cash generating units (CGUs), which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. This allocation is shown in the table below:

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

10. Goodwill and intangible assets (continued)

	General Transport £'000	Ports £'000	Automotive £'000	Total £'000
Goodwill at 30 November 2014 and 30 November 2015	125,574	5,559	1,000	132,133

The recoverable amount of goodwill is determined from value-in-use calculations, which are prepared for each CGU and use budgeted cash flows for year one and cash flow projections for years 2 and 3. Years 4 and 5 are extrapolated from these projections and terminal cash flows are based on year 5, assumed to grow perpetually at 2.5% (2014: 2.5%). The key assumptions forming inputs to the cash flows are in revenues and margins. Revenues for 2015 have been assessed by reference to existing contracts and an estimate of market volumes, which in turn have been assessed through discussions with customers and an assessment of the expected trends in wider economic factors. Margins have been assumed to remain broadly at existing levels. The forecasts have been discounted at a pre-tax discount rate of 12% (2014: 12%). No impairment losses have been recognised in the year. The value in use calculation is most sensitive to the discount rate and projected margins. Management believes that no reasonable adjustment to the discount rate or projected margins would cause the carrying value of the unit to exceed its recoverable amount.

11. Investments in Equity Accounted Investees

	2015 £'000	2014 £'000
Interests in joint ventures		
Balance b/f	845	-
Acquisitions through business combinations	-	855
Post-tax share of profits	286	165
Dividends paid to Group companies	(197)	(145)
Disposal of equity accounted investee	(439)	-
Exchange movement	(76)	(30)
At 30 November	419	845
Represented by		
Property, plant and equipment	38	75
Current assets	951	4,525
Current liabilities	(570)	(3,755)
Share of net assets	419	845

The Group disposed of a 50% shareholding in Vehicle Logistics Corporation BV during the year. Details of joint ventures at 30 November 2015 are shown in note 28.

12. Inventories

	2015 £'000	2014 £'000
Fuel and lubricants	1,720	1,871
Consumable supplies	223	298
	1,943	2,169

There is no impairment provision in respect of inventories. Inventories represent the value of fuel, lubricants and consumable supplies as at 30 November 2015. Purchases of these goods during the year are costed directly to the consolidated Income Statement and as such the value of inventories expensed or credited to the Consolidated Income Statement during the year represents the difference between the opening and closing balances.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

13. Trade and Other Receivables

	2015 £'000	2014 £'000
Trade receivables	78,350	85,905
Less provision for impairment of trade receivables	(211)	(295)
Trade receivables – net	78,139	85,610
Amounts owed by associates and joint ventures	641	231
Other receivables and prepayments	36,141	30,769
	114,921	116,610

The ageing of trade receivables and associated provision for impairment is detailed below:

	2015		2014	
	Trade receivables £'000	Provision for impairment £'000	Trade receivables £'000	Provision for impairment £'000
Current	55,507	-	55,871	-
Overdue less than 1 month	20,139	-	26,821	-
Overdue 1 - 2 months	2,065	-	3,064	(182)
Overdue more than 2 months	639	(211)	149	(113)
	78,350	(211)	85,905	(295)

14. Cash and Cash Equivalents

	2015 £'000	2014 £'000
Cash at bank and in hand	4,097	8,374

15. Trade and Other Payables (Current)

	2015 £'000	2014 £'000
Trade payables	56,178	61,409
Tax and social security	4,846	6,925
Amounts owed to associates and joint ventures	601	574
Other payables, accruals and deferred income	36,804	38,713
Interest rate swap	1,184	1,210
	99,613	108,831

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

16. Trade and Other Payables (Non-current)

	2015	2014
	£'000	£'000
Government grants	635	595
Deferred lease liability	9,466	7,776
Deferred income	6,211	7,644
Interest rate swap	1,104	1,078
	17,416	17,093

17. Financial Assets and Liabilities

	2015	2014
	£'000	£'000
Current		
Fixed rate		
Finance lease and hire purchase obligations	5,203	5,828
Variable rate		
Bank loans	301	5,341
	5,504	11,169
Non-current		
Fixed rate		
Bank loans fixed by virtue of interest rate swap	94,375	93,326
Bank loans	1,443	1,967
Loan notes, including interest	28,363	24,762
Finance lease and hire purchase obligations	7,572	16,375
	131,753	136,430
Variable rate		
Bank loans	36,711	52,190
	168,464	188,620
Total Loans and borrowings	173,968	199,789
Cash	4,097	8,374
Net debt	169,871	191,415

Included in the analysis above are bank fees of £9.0m (2014: £10.7m) at the year end, which have been netted against the principal loans outstanding. During the year bank fees of £1.7m (2014: £1.1m) were amortised through the Consolidated Income Statement.

Finance Facilities

Loan notes

The Group issued Loan Notes of £22.8m on 10 April 2014. The Loan Notes attract a fixed rate of interest that is converted to PIK Notes on each anniversary of the issue. The PIK Notes attract the same rate of fixed interest as the loan notes which is converted into further PIK Notes on each anniversary of the issue. The Loan Notes and PIK Notes are repayable in April 2022.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

17. Financial Assets and Liabilities (continued)

Borrowing facilities

On 10 April 2014, the Group drew down finance facilities of £160.0m with associated fees of £11.8m. The facility is secured on assets of the Group, is subject to a variable rate of interest and subject to certain conditions is repayable in full in April 2021. The Group entered into an interest rate swap in order to hedge the variable rate of interest on a proportion of this loan, for a period of its duration. The swap is for a principal of £100.0m, was first effective from 10 November 2014 and is in place until April 2018. The swap was assessed as being highly effective both during the year and in the estimate of future interest cash flows which it is hedging. An unrealised loss on the fair value of the swap of £2.3m was included in other comprehensive income at 30 November 2014, arising because the fixed rate in the swap is higher than current LIBOR. There has been no change in fair value at 30 November 2015.

In the UK, the Group also has access to a revolving finance facility of up to £50.0m though normally restricted to £40.0m, which is dependent upon and secured against assets within the Group. The facility is subject to a variable rate of interest and is in place until 2021. The Group has finance facilities in Belgium which are secured against assets in that region and comprise an overdraft of €1.5m, subject to a variable rate of interest and available over 7 years to 2021, and a loan of €3.0m, subject to a fixed rate of interest and repayable in equal quarterly instalments over 7 years to 2021. The facilities are secured against specific assets in the Group.

Maturity Profile of Financial Liabilities

The maturity profiles (including interest payments in respect of finance lease and hire purchase liabilities) of financial liabilities are shown in the table below:

Maturity profile at 30 November 2015	Due within 1 year £'000	Due between 1 and 5 years £'000	Due after 5 years £'000	Total £'000
Financial liabilities				
Bank loans and interest	7,931	32,079	196,616	236,626
Interest rate swaps	1,184	1,104	-	2,288
Trade payables	56,178	-	-	56,178
Finance lease and hire purchase obligations	5,600	8,068	96	13,764
	70,893	41,251	196,712	308,856
Maturity profile at 30 November 2014	Due within 1 year £'000	Due between 1 and 5 years £'000	Due after 5 years £'000	Total £'000
Financial liabilities				
Bank loans and interest	13,955	35,682	224,156	273,793
Interest rate swaps	1,212	1,327	-	2,539
Trade payables	61,409	-	-	61,409
Net amounts owed to associates and joint ventures	343	-	-	343
Finance lease and hire purchase obligations	6,689	15,813	2,626	25,128
	83,608	52,822	226,782	363,212

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

17. Financial Assets and Liabilities (continued)

Foreign exchange differences on retranslation of these assets and liabilities are taken to the Consolidated Income Statement except where those assets and liabilities are held in entities denominated in foreign currency in which case differences are taken to reserves as described in note 1.

The minimum lease payments under finance leases fall due as follows:

	2015 £'000	2014 £'000
Within 1 year	5,600	6,689
Between 1 and 5 years	8,068	15,813
After 5 years	96	2,626
	13,764	25,128
Future finance charges on finance leases	(989)	(2,925)
Present value of finance lease liabilities	12,775	22,203

The obligations under finance leases and hire purchase contracts are taken out with various lenders at interest rates prevailing at the inception of the contracts.

Financial Risks and Capital Management

Through its operations, the Group is exposed to the following financial risks:

- Funding and liquidity risk
- Credit risk from trade receivables
- Interest rate cash flow risk from variable rate bank loans
- Foreign exchange risk

In the process of managing these financial risks, the Group uses the following financial instruments:

- Cash at bank
- Bank loans
- Trade receivables, including amounts owed by associates and joint ventures
- Trade and other payables, including amounts owed to associates and joint ventures
- Finance leases and hire purchase agreements

The Group's overall risk management programme focuses on reducing financial risk as far as possible and therefore seeks to minimise potential adverse effects on the Group's financial performance. The policies and strategies for managing specific financial risks are summarised as follows:

(i) Funding and Liquidity Risk

The Group finances its operations by a combination of equity, bank loans, leases, working capital and retained profits. The Group undertakes short term cash forecasting to monitor its expected cash flows against its cash availability and finance facilities. The Group also undertakes longer term cash forecasting to monitor its expected funding requirements in order to meet its current business plan, in the context of its existing facilities and to identify any requirement for future funding facilities. The Group monitors its current and forecast financial performance against its banking covenants to ensure that it remains compliant with their requirements. The Group also maintains an active dialogue with a wide range of finance providers in order to ensure that it is aware of all possible sources of finance when it is assessing the availability and cost of providing for the funding requirements in the current business plan.

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

17. Financial Assets and Liabilities (continued)

(ii) Credit Risk

The Group's principal exposure to credit risk is in its trade receivables arising from credit sales. A large proportion of the Group's trade receivables are covered by insurance. In accordance with this insurance policy and also carried out as Group policy in other uninsured credit sales, the Group carries out procedures to assess the credit risk of new customers before entering into new contracts, sets credit limits accordingly and monitors outstanding receivables balances in accordance with these. The Board places significant emphasis on credit control and any changes in debtor payment profiles are identified and acted upon. The age profile of outstanding trade debtors as at 30 November 2015 is shown in note 13, together with associated provisions against recoverability, which gives an indication of the level of credit risk to which the Group is exposed.

(iii) Interest Rate Cash Flow Risk

Some of the Group's borrowings are issued at variable rates that expose the Group to interest rate cash flow risk. The Group's exposure to floating rate interest is modelled in its budgets and forecasts. The Group's principal strategy is to manage its treasury position to reduce borrowing requirements and therefore its exposure to interest cost. As such, the current exposure to volatility in interest rates is limited and the Group estimates that a rise of 0.5% in interest rates would have reduced pre-tax profits by approximately £180,000 for the year ended 30 November 2015.

(iv) Foreign Exchange Risk

The Company's functional currency is Pound Sterling. The Group operates internationally and is exposed to foreign exchange risk, primarily with respect to the Euro. Due to the unpredictable nature of denominated cash flows, and a significant degree of natural hedging arising from purchases and receipts in Euros, the Board does not currently seek to hedge its exposure to foreign exchange risk. The Group estimates that a 5% weakening of the Euro from the year end exchange rate would decrease net assets by approximately £680,000.

Capital Management

Capital comprises share capital, retained profits and borrowing facilities. The Group's short to medium-term strategy continues to be to strengthen its capital base in order to sustain the future development of the business and therefore the current policy is to reinvest profits rather than recommend the payment of dividends. The Group also focuses on the management and control of working capital in order to reduce net debt, whilst allowing for capital investment in assets for the future development of the business. The Group has also secured finance facilities that contain sufficient headroom to allow for business growth in the event that market volumes significantly increase or incremental turnover is obtained through organic growth or acquisition.

Fair Value of Financial Assets and Liabilities

The Book value and comparable fair value of the Group's financial assets and liabilities are shown in the table below.

Classification	Valuation method	2015		2014	
		Book value	Fair value	Book value	Fair Value
		£'000	£'000	£'000	£'000
Financial assets					
Cash	Level 1	4,097	4,097	8,374	8,374
Trade receivables	Level 2	78,139	78,139	85,610	85,610
Amounts owed by associates and joint ventures	Level 2	39	39	-	-
Financial liabilities					
Trade payables	Level 2	56,178	56,178	61,409	61,409
Amounts owed by associates and joint ventures	Level 2	-	-	343	343
Bank loans	Level 2	161,193	161,193	177,586	177,586
Interest rate swap	Level 2	2,288	2,288	2,288	2,288
Finance lease and hire purchase obligations	Level 2	12,775	12,775	22,203	22,203

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

17. Financial Assets and Liabilities (continued)

The Group uses the following valuation methods for measuring the fair value of financial instruments:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are based on data from active markets.

Level 3: Other techniques for which all inputs which have a significant effect on the recorded fair value are not based on data from active markets.

18. Provisions

	Lease remediation	Onerous contract provisions	Employee restructuring costs	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 March 2014					
Acquired with business combination	394	1,200	771	64	2,429
Provisions made	40	-	851	-	891
Provisions used	-	(1,200)	-	(15)	(1,215)
Movement in foreign currency translation	(14)	-	-	-	(14)
Balance at 30 November 2014	420	-	1,622	49	2,091
Provisions made	792	-	3,119	-	3,911
Provisions used	-	-	(1,915)	(49)	(1,964)
Movement in foreign currency translation	-	-	-	-	-
Balance at 30 November 2015	1,212	-	2,826	-	4,038

Analysis of total provisions:	2015	2014
	£'000	£'000
Current	3,456	1,638
Non-current	582	453
	4,038	2,091

During the course of the year the business performed a review of the organisation, with the result that a number of one-off costs were incurred and paid out, with further payments to follow during 2016. The planned decommissioning of a number of vehicles required further provisions to be made during the year.

19. Deferred Tax

Deferred tax is calculated in full on temporary differences using the liability method, and predominantly relates to UK balances, using a tax rate of 18%.

	2015	2014
	£'000	£'000
Deferred tax brought forward	(13,224)	-
Acquired with business combinations	-	(14,578)
Transfer to the Consolidated Income Statement	2,115	767
Deferred tax on items recognised directly in equity	(684)	587
Deferred taxation	(11,793)	(13,224)

The timing of the recovery of the deferred tax asset is expected to be:

- in less than 1 year	(1,079)	(1,226)
- in more than 1 year	(10,714)	(11,998)

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

19. Deferred Tax (continued)

Deferred tax assets have been recognised in respect of pension deficits, the fair value of financial instruments, accelerated capital allowances and other temporary differences giving rise to deferred tax assets because it is probable that these assets will be recovered.

	At 30 November 2015 £'000	(Charged) / credited to the Consolidated Income Statement £'000	(Charged) / Credited directly to equity £'000	Acquired with business combinations £'000
Tax effects of temporary differences due to:				
Intangible assets	(13,215)	3,084	-	-
Accelerated capital allowances	892	(1,352)	-	-
Revaluations	(309)	35	-	-
Pension scheme deficits	-	50	(639)	-
Hedging instruments	412	-	(45)	-
Other temporary differences	427	298	-	-
	(11,793)	2,115	(684)	-

	At 30 November 2014 £'000	(Charged) / credited to the Consolidated Income Statement £'000	(Charged) / Credited directly to equity £'000	Acquired with business combinations £'000
Tax effects of temporary differences due to:				
Intangible assets	(16,299)	1,076	-	(17,375)
Accelerated capital allowances	2,244	(259)	-	2,503
Revaluations	(344)	-	-	(344)
Pension scheme deficits	589	(50)	130	509
Hedging instruments	457	-	457	-
Other temporary differences	129	-	-	129
	(13,224)	767	587	(14,578)

Unprovided deferred tax assets, which are unprovided because they may not be recovered, are as follows:

	2015 £'000	2014 £'000
Trading losses	1,210	2,364
Capital losses	821	912

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

20. Capital and reserves

Share Capital and Share Premium

	Share capital £'000	Share premium £'000
Ordinary share capital		
703,000 authorised shares of £1 each	703	64,647

No new share capital was issued during the year.

Nature and Purpose of Reserves

- (i) Translation reserve - represents the gains and losses arising on retranslating the net assets of overseas operations into Sterling. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.
- (ii) Hedge reserve - the hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flows.

21. Employees and Directors

The average number of persons (including Directors) employed by the Group during the year was:

	Year ended 30 November 2015	Period ended 30 November 2014
Average monthly number of employees		
Drivers	2,425	2,204
Other direct staff	818	701
Administration and support staff	1,365	1,272
	4,608	4,177
	£'000	£'000
Staff costs for the Group during the year		
Wages and salaries, including payments on termination	127,083	85,098
Social security costs	12,881	8,477
Pension	3,816	1,995
	143,780	95,570
Directors' remuneration		
	£'000	£'000
Emoluments and benefits in kind	203	130
Other pension costs – defined contribution plans	13	11
Total directors remuneration	216	141

All amounts shown above are borne by subsidiary undertakings. Emoluments paid to the highest paid director were £115,000 (2014: £93,000), including pension contributions of £13,000 (2014: £11,000).

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

22. Operating Lease Arrangements

At the year end the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	2015		2014	
	Plant and equipment £'000	Land and buildings £'000	Plant and equipment £'000	Land and buildings £'000
within 1 year	35,052	27,562	29,654	22,023
between 1 and 5 years	39,665	94,731	34,661	74,194
due after 5 years	3,742	249,163	1,114	161,974
	78,459	371,456	65,429	258,191

A number of leases from Stobart Group Limited were novated from Stobart Group to Eddie Stobart Logistics and from Eddie Stobart Logistics to Stobart Group during the year. There is no remaining future minimum rentals receivable under non-cancellable operating leases:

	2015 £'000	2014 £'000
Within 1 year	-	2,359
Between 1 and 5 years	-	10,289
	-	12,648

23. Related Party Disclosures and Ultimate Parent Undertaking

During the year the Company entered into commercial transactions with related parties as shown in the table below.

2015 Related Party Disclosures	Description of related party	Sales to related party £'000	Purchases from related party £'000	Balance owed by related party £'000	Balance owed to related party £'000
Stobart Group Limited and Subsidiaries	a	5,484	2,815	1,838	(1,364)
AstSigns Limited	b	-	351		(144)
Oakfield Manor Estates Limited	b	75	-	3	
WS Transportation Limited	b	588	290	315	-
DBAY Advisors Limited	c	-	1,900	229	(1,457)
Greenwhitestar Holding Company 1 Limited	d	-	500	(163)	-
Greenwhitestar Holding Company 2 Limited	e	9,124	3,491	-	(28,363)

Notes to the Consolidated Financial Statements (continued)

for the year ended 30 November 2015

23. Related Party Disclosures and Ultimate Parent Undertaking (continued)

2014 Related Party Disclosures	Description of related party	Sales to related party £'000	Purchases from related party £'000	Balance owed by related party £'000	Balance owed to related party £'000
Stobart Group Limited and subsidiaries	a	12,234	5,823	2,257	(743)
WA Developments International Limited	b	19	10	3	-
Apollo Air Services Limited	b	-	16	-	-
AstSigns Limited	b	-	124	-	(38)
Mega Pink Horse Limited	b	11	-	8	-
Oakfield Manor Estates Ltd	b	25	81	-	(10)
WS Transportation Limited	b	396	-	220	-
DBAY Advisors Limited (DBAY)	c	-	1,273	-	(792)
Greenwhitestar Holding Company 2 Limited	e	-	2,003	-	(24,872)

The nature of the relationship and the transactions entered into with the related parties are:

- Stobart Group Limited and its subsidiary undertakings. Following the sale of the company by Stobart Group Limited, there remain a number of areas where the Group continues to trade with the Stobart Group Limited and its subsidiaries. These transactions represent both transitional arrangements where the two groups continued to rely on shared services and in respect of ongoing trading relationships which are expected to continue into the future
- W Stobart is a director of the Company and has interests in shares in the companies indicated. During the year, the Group made purchases relating to the provision of branded products and vehicle advertising from AstSigns Limited, provided haulage services to Oakfield Manor Estates Limited and WS Transportation Limited and made purchases of haulage services from WS Transportation Limited.
- DBAY Advisors Limited is the fund manager of DouglasBay Capital Fund II LP, which is beneficially interested in the Company. During the year the Group made purchases in respect of management services provided by DBAY Advisors Limited.
- Greenwhitestar Holding Company 1 Limited (GWHC1) is the immediate parent company of GWHC2 and charged a management fee for services rendered during the year.
- Greenwhitestar Holding Company 2 Limited (GWHC2) is the Company's immediate parent company. GWHC2 holds the Eurobond note described in note 17, which together with the accrued PIK note interest represent a balance of £28,363,000. Eddie Stobart Limited also provided and invoiced property related services to GWHC2 during the year of £9,124,000.

The Group's ultimate parent undertaking is disclosed in note 33 to the Company's Financial Statements

24. Contingent Liabilities

There is an unlimited bank cross guarantee arrangement between the Company and its fellow subsidiary undertakings. The maximum potential liability at 30 November 2015 was £139.0m (2014: £160.6m).

25. Capital commitments

At 30 November 2015, the Group had commitments of £3.4m (2014: £3.7m).

Company Balance Sheet

as at 30 November 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Investments	28	65,300	65,300
Current assets			
Amounts owed by Group undertakings	29	160	160
Non-current assets -			
Amounts owed by Group undertakings	29	28,269	24,776
Current liabilities			
Amounts owed to Group undertakings		(105)	-
Non-current liabilities			
Amounts owed to Group undertakings	30	(28,363)	(25,212)
Net assets		65,261	65,024
Capital and reserves			
Share capital	31	703	703
Share premium	31	64,647	64,647
Profit and loss account	31	(89)	(326)
Total Shareholders' funds	31	65,261	65,024

This Balance Sheet should be read in conjunction with the notes to the Company Balance Sheet on pages 46 to 48 and the notes to the Consolidated Financial Statements on pages 19 to 44.

The Financial Statements on pages 45 to 48 were approved by the Board of Directors on 30 March 2016 and were signed on its behalf by:



William Stobart
Executive Chairman

Notes to the Company Balance Sheet

for the year ended 30 November 2015

26. Principal Accounting Policies

These Financial Statements for the Company have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the UK (UK GAAP). The Directors consider that the accounting policies set out below are suitable, are supported by reasonable judgements and estimates and have been consistently applied except where stated below. The going concern basis has been applied in these accounts. A summary of the more important accounting policies is set out below.

In the Company's Financial Statements, dividends received and receivable are credited to the Company's Profit and Loss Account. In accordance with Section 408(4) of the Companies Act 2006, the Company is exempt from the requirement to present its own Profit and Loss Account. The result for the financial year of the Company is disclosed in note 32 to these Financial Statements.

Cash Flow Statement

The Company is exempt under the terms of Financial Reporting Standard 1 'Cash Flow Statements', from the requirement to publish its own Cash Flow Statement, as its cash flows are included within the Consolidated Cash Flow Statement of the Group.

Investments

The Company's investments in shares in Group companies are stated at cost less provision for impairment.

Cash and Cash Equivalents

In the Balance Sheet, cash includes cash and cash equivalents excluding bank overdrafts.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is measured on an undiscounted basis.

27. Employees and Directors

Directors' remuneration is shown in note 21. Other than directors, the Company has no direct employees.

Notes to the Company Balance Sheet (continued)

for the year ended 30 November 2015

28. Investments in Subsidiary Undertakings

The cost and provisions for impairment of the Company's investments are shown below:

	Subsidiary undertakings £'000
Cost and net book value	
At 30 November 2014 and 30 November 2015	65,300

The subsidiary undertakings of the Company, and those of the Group whose results or financial position, in the opinion of the Directors, principally affect the consolidated results, are set out below. The Company has taken advantage of Section 410 (1) and (2) of the Companies Act 2006 not to disclose all subsidiary undertakings on the basis that such information would be of excessive length.

Company name	Business activity	Proportion of ordinary share capital held		Country of incorporation
		Directly	Indirectly	
Subsidiary undertakings				
Greenwhitestar Acquisitions Limited	Holding company	100%		England
Eddie Stobart Logistics Limited	Holding company		100%	England
Stobart Rail Freight Limited	Contract logistics		100%	England
O'Connor Container Transport Limited	Contract logistics		100%	England
O'Connor Container Storage Limited	Contract logistics		100%	England
Westlink Storage & Shipping Company Limited	Contract logistics		100%	England
Stobart Transport & Distribution Limited	Holding company		100%	England
AHL Anglia Limited (formerly Autologic Holdings Limited)	Holding company		100%	England
Eddie Stobart Limited	Contract logistics		100%	England
Eddie Stobart Group Limited	Holding company		100%	England
Eddie Stobart (Ireland) Limited	Contract logistics		100%	Ireland
Eddie Stobart (Ireland) Driver Services Limited	Contract logistics		100%	Ireland
Eddie Stobart Belgium NV	Contract logistics		100%	Belgium
Stobart Truckstops Limited	Contract logistics		100%	England
Stobart Automotive Europe BV	Contract logistics		100%	The Netherlands
Stobart Automotive Belgium NV	Contract logistics		100%	Belgium
Stobart Automotive CZ s.r.o.	Contract logistics		100%	Czech Republic
Walon BV	Contract logistics		100%	The Netherlands
Joint Ventures				
Transport-Service Klingels-Willems NV	Contract logistics		50%	Belgium
Transport Service & Releasing Iberia S.L.	Contract logistics		33%	Spain

29. Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Amounts owed by Group undertakings	160	160
Amounts falling due in more than one year:		
Amounts owed by Group undertakings	22,775	22,759
Accrual for interest on loans from Group undertakings	5,494	2,017
	28,269	24,776

Notes to the Company Balance Sheet (continued)

for the year ended 30 November 2015

29. Debtors (continued)

The Company has provided a loan facility to its subsidiary undertaking, which together with interest accrued at a fixed rate per annum, is repayable in full in April 2022.

30. Trade and Other Payables (Non-Current)

	2015 £'000	2014 £'000
Amounts owed to Group undertakings	110	110
Eurobond Loan	22,759	22,759
Accrual for interest on Eurobond loan	5,494	2,003
Corporation tax	-	340
	28,363	25,212

The Company issued Loan Notes of £22.8m on 10 April 2014. The Loan Notes attract a fixed rate of interest that is converted to PIK Notes on each anniversary of the issue. The PIK Note attract the same rate of fixed interest as the loan notes, which is converted into further PIK Notes on each anniversary of the issue. The Loan Notes and PIK Notes are repayable in April 2022.

31. Reconciliation of Movement in Shareholders' Funds

	2015 £'000	2014 £'000
Opening shareholders' funds	65,024	-
Share capital issued in the year	-	703
Share premium issued in the year	-	64,647
Profit and loss account	237	(326)
Total shareholders' funds	65,261	65,024

No share capital was issued during the year.

As permitted by Section 408(4) of the Companies Act 2006, the Parent Company's Profit and Loss Account has not been included in these Financial Statements. The Parent Company's profit after tax for the financial year was £237,000 (2014: £326,000).

32. Related Party Transactions

As a wholly owned subsidiary of Greenwhitestar Topco Limited and, in turn Greenwhitestar Holding Company 1 Limited, for which consolidated accounts are prepared, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the Group headed by Greenwhitestar Holding Company 1 Limited.

33. Ultimate Parent Undertaking

The immediate parent undertaking is Greenwhitestar Holding Company 2 Limited. The ultimate parent undertaking for which group financial statements are drawn up and of which the company is a member is Greenwhitestar Holding Company 1 Limited, incorporated in the Isle of Man. Greenwhitestar Topco Limited, also incorporated in the Isle of Man, is deemed to be the controlling party of Greenwhitestar Holding Company 1 Limited. Copies of the financial statements can be obtained from the Company Secretary, Greenwhitestar UK Plc, Stretton Green Distribution Park, Appleton, Warrington, Cheshire, WA4 4TQ.

34. Subsequent Events

There were no events after the reporting period that are material for disclosure in the financial statements.