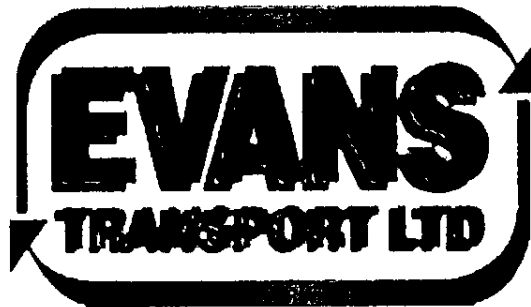


Registration number: 00437864

Evans Transport Limited

Directors' Report and Financial Statements
for the Year Ended 31 March 2008



Glover Stanbury & Co
CHARTERED ACCOUNTANTS

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EVANS TRANSPORT LIMITED
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EVANS TRANSPORT LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mrs A D Evans |
| | Mr N S Evans (Resigned 22 August 2007) |
| | Mr J Raymont |
| | Mr N J Evans |
| | Mr W J Evans |
| Secretary | Mrs S Evans |
| Registered office | Anchor Mill Braunton Road BARNSTAPLE Devon EX31 1JY |
| Solicitors | Toller Beattie Queens House Queen Street BARNSTAPLE Devon EX32 8TB |
| Bankers | HSBC plc 10 High Street BARNSTAPLE Devon EX31 1BQ |
| Auditors | Glover Stanbury & Co Registered Auditors 30 Bear Street BARNSTAPLE Devon EX32 7DD |

EVANS TRANSPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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

Directors' responsibilities

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

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. 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.

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Principal activity

The principal activity of the company is freight transport by road.

Business review

Development and performance of the business

| | 2008 |
|---------------------|-------------|
| Turnover | £13,012,019 |
| Turnover growth | 14% |
| Gross profit margin | 20% |
| Profit before tax | £317,770 |

Position of the business

At the end of the year, the net assets totalled £4,174,303.

EVANS TRANSPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

Financial risk

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Results and dividend

The results for the company are set out in the financial statements.

An interim ordinary dividend of £821,638 was paid during the year.

Directors

The directors who held office during the year were as follows:

- Mrs A D Evans
- Mr N S Evans (Resigned 22 August 2007)
- Mr J Raymont
- Mr N J Evans
- Mr W J Evans

Retirement of directors

In accordance with the Articles of Association, directors are not required to retire from the board on a rotational basis.

EVANS TRANSPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

Auditors

The auditors, Glover Stanbury & Co, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

Mrs S Evans
Company Secretary



12.12.08

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVANS TRANSPORT LIMITED

We have audited the financial statements of Evans Transport Limited for the year ended 31 March 2008 set out on pages 7 to 23. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of Directors' responsibilities on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

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

Basis of audit opinion

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVANS TRANSPORT
LIMITED**

..... continued

Opinion

In our opinion:

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

Glover Stanbury & Co
Glover Stanbury & Co
Registered Auditors
12/12/08

30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

EVANS TRANSPORT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

| | Note | 2008 £ | 2007 £ |
|--|-------------|-------------------|-------------------|
| Turnover | | 13,012,019 | 11,377,501 |
| Cost of sales | | (10,423,259) | (9,108,354) |
| Gross profit | | <u>2,588,760</u> | <u>2,269,147</u> |
| Administrative expenses | | (2,185,080) | (1,833,565) |
| Operating profit | 2 | <u>403,680</u> | <u>435,582</u> |
| Interest payable and similar charges | 5 | (85,910) | (119,700) |
| Profit on ordinary activities before taxation | | <u>317,770</u> | <u>315,882</u> |
| Tax on profit on ordinary activities | 6 | (95,411) | (86,946) |
| Profit for the financial year | 16 | <u>222,359</u> | <u>228,936</u> |
| Profit and loss reserve brought forward | | 2,261,130 | 2,032,194 |
| Other profit and loss reserve movements | 16 | (648,790) | - |
| Profit and loss reserve carried forward | | <u>1,834,699</u> | <u>2,261,130</u> |

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 23 form an integral part of these financial statements.

EVANS TRANSPORT LIMITED

NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2008

| | 2008 | 2007 |
|---|----------------|----------------|
| | £ | £ |
| Reported profit on ordinary activities before taxation | 317,770 | 315,882 |
| Realisation of property revaluation gains of previous years | 172,848 | - |
| Historical cost profit on ordinary activities before taxation | <u>490,618</u> | <u>315,882</u> |
| Historical cost profits for the year after taxation | <u>395,207</u> | <u>228,936</u> |

EVANS TRANSPORT LIMITED
BALANCE SHEET AS AT 31 MARCH 2008

| | | 2008 | 2007 |
|--|------|--------------------|--------------------|
| | Note | £ | £ |
| Fixed assets | | | |
| Tangible assets | 8 | 6,755,445 | 5,997,701 |
| Investments | 9 | 20,034 | 20,000 |
| | | <u>6,775,479</u> | <u>6,017,701</u> |
| Current assets | | | |
| Stocks | 10 | 239,407 | 221,564 |
| Debtors | 11 | 2,878,905 | 3,171,207 |
| Cash at bank and in hand | | 82,823 | 51,361 |
| | | <u>3,201,135</u> | <u>3,444,132</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(5,002,649)</u> | <u>(3,456,478)</u> |
| Net current liabilities | | <u>(1,801,514)</u> | <u>(12,346)</u> |
| Total assets less current liabilities | | 4,973,965 | 6,005,355 |
| Creditors: Amounts falling due after more than one year | 13 | (401,043) | (925,662) |
| Provisions for liabilities | 14 | <u>(398,619)</u> | <u>(306,111)</u> |
| Net assets | | <u>4,174,303</u> | <u>4,773,582</u> |
| Capital and reserves | | | |
| Called up share capital | 15 | 150,000 | 150,000 |
| Share premium reserve | 16 | 265,295 | 265,295 |
| Revaluation reserve | 16 | 1,918,994 | 2,091,842 |
| Tax equalisation account | 16 | 5,315 | 5,315 |
| Profit and loss reserve | 16 | <u>1,834,699</u> | <u>2,261,130</u> |
| Shareholders' funds | 17 | <u>4,174,303</u> | <u>4,773,582</u> |

Approved by the Board on ~~12.12.08~~... and signed on its behalf by:

Mr N J Evans
Director



Mr W J Evans
Director



The notes on pages 12 to 23 form an integral part of these financial statements.

EVANS TRANSPORT LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

| | 2008 | 2007 |
|--|--------------------|------------------|
| Note | £ | £ |
| Net cash flow from operating activities | 3,991,540 | 1,199,930 |
| Returns on investment and servicing of finance | (85,910) | (119,700) |
| Taxation | (14,656) | (61,760) |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (2,087,355) | (1,471,952) |
| Sale of tangible fixed assets | 526,965 | 513,884 |
| Purchase of trade investment | (34) | - |
| | <u>(1,560,424)</u> | <u>(958,068)</u> |
| Equity dividends paid | <u>(821,638)</u> | <u>-</u> |
| Cash inflow before management of liquid resources and financing | 1,508,912 | 60,402 |
| Financing | | |
| Capital element of hire purchase payments | <u>(591,750)</u> | <u>(291,530)</u> |
| | <u>(591,750)</u> | <u>(291,530)</u> |
| Net cash flow | <u>917,162</u> | <u>(231,128)</u> |

RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

| | 2008 | 2007 |
|---|------------------|------------------|
| | £ | £ |
| Operating profit | 403,680 | 435,582 |
| Depreciation, amortisation and impairment charges | 899,173 | 713,465 |
| Profit on disposal of fixed assets | (96,527) | (3,535) |
| Increase in stocks | (17,843) | (51,465) |
| Decrease/(increase) in debtors | 292,302 | (385,299) |
| Increase in creditors | <u>2,510,755</u> | <u>491,182</u> |
| Net cash inflow from operating activities | <u>3,991,540</u> | <u>1,199,930</u> |

The notes on pages 12 to 23 form an integral part of these financial statements.

EVANS TRANSPORT LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

ANALYSIS OF CASH FLOWS

| | 2008 £ | 2007 £ |
|---|-----------------|------------------|
| Returns on investment and servicing of finance | | |
| HP interest paid | <u>(85,910)</u> | <u>(119,700)</u> |
| Taxation | | |
| Taxation paid | <u>(14,656)</u> | <u>(61,760)</u> |

ANALYSIS OF NET DEBT

| | At start of period £ | Cash flow £ | At end of period £ |
|--------------------------|----------------------------|------------------|--------------------------|
| Cash at bank and in hand | 51,361 | 31,462 | 82,823 |
| Bank overdraft | <u>(1,249,619)</u> | <u>885,700</u> | <u>(363,919)</u> |
| Cash and bank net debt | <u>(1,198,258)</u> | 917,162 | (281,096) |
| Hire purchase | <u>(1,516,420)</u> | <u>591,750</u> | <u>(924,670)</u> |
| Change in debt | <u>(1,516,420)</u> | <u>591,750</u> | <u>(924,670)</u> |
| Net debt | <u>(2,714,678)</u> | <u>1,508,912</u> | <u>(1,205,766)</u> |

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

| | 2008 | 2007 |
|--|--------------------|----------------|
| | Note | |
| Increase/(decrease) in cash in the year | £ 917,162 | £ (231,128) |
| Cash outflow from decrease in debt and lease financing | <u>591,750</u> | <u>291,530</u> |
| Change in net debt resulting from cash flows | 1,508,912 | 60,402 |
| Net (debt)/funds at the start of the year | <u>(2,714,678)</u> | <u>621,366</u> |
| Net (debt)/funds at the end of the year | <u>(1,205,766)</u> | <u>681,768</u> |

The notes on pages 12 to 23 form an integral part of these financial statements.

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention.

Going concern

These financial statements have been prepared on a going concern basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|----------------------------|------------------------------------|
| Freehold buildings | 2% per annum at cost |
| Lorries and motor vehicles | 25% per annum reducing balance |
| Trailers | 20% per annum reducing balance |
| Plant and machinery | 15% per annum reducing balance |
| Leasehold improvements | Straight line over length of lease |

Fixed asset investments

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

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

| | 2008 | 2007 |
|--|----------|---------|
| | £ | £ |
| Hire of plant and machinery (Operating Leases) | 486,314 | 272,167 |
| Audit and consultancy fees | 10,867 | 6,500 |
| Profit on sale of fixed assets | (96,527) | (3,535) |
| Depreciation of owned tangible fixed assets | 899,173 | 713,465 |

During the year the company received (non refundable and after expenses) £100,000 regarding granting an option to a third party to purchase one of its properties. However the conditions to exercise the option have not yet been fulfilled and as such the option is not a contingent asset.

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

3 PARTICULARS OF EMPLOYEES

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

| | 2008 No. | 2007 No. |
|----------------|-------------|-------------|
| Drivers | 105 | 94 |
| Administration | 19 | 15 |
| Garage | 11 | 8 |
| | <u>135</u> | <u>117</u> |

The aggregate payroll costs of these persons were as follows:

| | 2008 £ | 2007 £ |
|--------------------|------------------|------------------|
| Wages and salaries | 3,077,833 | 2,579,708 |
| Social security | 309,518 | 255,543 |
| | <u>3,387,351</u> | <u>2,835,251</u> |

4 DIRECTORS' EMOLUMENTS

The directors' emoluments for the year are as follows:

| | 2008 £ | 2007 £ |
|--|---------------|---------------|
| Directors' emoluments (including benefits in kind) | <u>45,256</u> | <u>41,702</u> |

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £36,006 (2007 - £33,587).

5 INTEREST PAYABLE AND SIMILAR CHARGES

| | 2008 £ | 2007 £ |
|------------------------|---------------|----------------|
| Hire purchase interest | <u>85,910</u> | <u>119,700</u> |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

6 TAXATION

Analysis of current period tax charge

| | 2008 £ | 2007 £ |
|---|----------------------|----------------------|
| Current tax | | |
| Corporation tax charge | <u>2,903</u> | <u>14,657</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | <u>92,508</u> | <u>72,289</u> |
| Total tax on profit on ordinary activities | <u><u>95,411</u></u> | <u><u>86,946</u></u> |

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2007 - lower than) the standard rate of corporation tax in the UK of 20.00% (2007 - 19.22%).

The differences are reconciled below:

| | 2008 £ | 2007 £ |
|--|---------------------|----------------------|
| Profit on ordinary activities before taxation | <u>317,770</u> | <u>315,882</u> |
| Standard rate corporation tax charge | 63,554 | 60,713 |
| Expenses not deductible for tax purposes (including goods) | 538 | 144 |
| Capital gains | 10,699 | - |
| Accelerated capital allowances | <u>(71,888)</u> | <u>(46,200)</u> |
| Total current tax for the year | <u><u>2,903</u></u> | <u><u>14,657</u></u> |

7 DIVIDENDS

| | 2008 £ | 2007 £ |
|------------------|------------------|------------------|
| Equity dividends | <u>821,638</u> | <u>-</u> |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

8 TANGIBLE FIXED ASSETS

| | Freehold land and buildings £ | Plant and machinery £ | Motor vehicles £ | Total £ |
|--------------------------|--|-----------------------------|---------------------|-------------------|
| Cost or Valuation | | | | |
| As at 1 April 2007 | 3,116,353 | 647,539 | 5,773,232 | 9,537,124 |
| Additions | 93,093 | 383,962 | 1,610,300 | 2,087,355 |
| Disposals | (345,200) | - | (651,516) | (996,716) |
| As at 31 March 2008 | <u>2,864,246</u> | <u>1,031,501</u> | <u>6,732,016</u> | <u>10,627,763</u> |
| Depreciation | | | | |
| As at 1 April 2007 | 102,192 | 394,384 | 3,042,847 | 3,539,423 |
| Eliminated on disposals | - | - | (566,278) | (566,278) |
| Charge for the year | <u>31,649</u> | <u>95,245</u> | <u>772,279</u> | <u>899,173</u> |
| As at 31 March 2008 | <u>133,841</u> | <u>489,629</u> | <u>3,248,848</u> | <u>3,872,318</u> |
| Net book value | | | | |
| As at 31 March 2008 | <u>2,730,405</u> | <u>541,872</u> | <u>3,483,168</u> | <u>6,755,445</u> |
| As at 31 March 2007 | <u>3,014,161</u> | <u>253,155</u> | <u>2,730,385</u> | <u>5,997,701</u> |

Revaluation of fixed assets

Included with Freehold land and Buildings is land valued at £2,352,832 which is not depreciated.

The Freehold land and buildings were revalued on 31 March 2002 by external valuers Passmore Wright & Co, Chartered Surveyors, on the basis of open market value of £2,220,000. The directors are aware of material changes in the value of their properties since this date and have therefore updated the valuation of their properties to their open market value of £2,864,246 giving a total £1,916,735 surplus on revaluation.

The historical cost of freehold land and buildings included above with a net book value of £2,730,405 is as follows:

| | £ |
|--|---------|
| Cost as at 31 March 2008 | 938,001 |
| Accumulated depreciation as at 31 March 2008 | 133,841 |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £1,188,741 (2007 - £1,684,122) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £371,880 (2007 - £401,434).

9 INVESTMENTS HELD AS FIXED ASSETS

| | Other investments £ |
|-----------------------|---------------------------|
| Cost | |
| As at 1 April 2007 | 20,000 |
| Additions | 34 |
| As at 31 March 2008 | <u>20,034</u> |
| Net book value | |
| As at 31 March 2008 | <u>20,034</u> |
| As at 31 March 2007 | <u>20,000</u> |

Unlisted investments

The investment represents a 3.7% ownership of the ordinary shares of LinQ Alliance Limited, a transport and distribution company alliance. The directors consider that the market value of the shares is not materially different to the historical cost reflected above.

10 STOCKS AND WORK IN PROGRESS

| | 2008 £ | 2007 £ |
|-----------------------------|----------------|----------------|
| Stocks and Work in progress | <u>239,407</u> | <u>221,564</u> |

The difference between purchase price or production cost of stocks and their replacement cost is not material

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

11 DEBTORS

| | 2008 £ | 2007 £ |
|------------------------------------|------------------|------------------|
| Trade debtors | 2,438,871 | 2,245,651 |
| Amounts owed by group undertakings | - | 834,238 |
| Prepayments and accrued income | 440,034 | 91,318 |
| | <u>2,878,905</u> | <u>3,171,207</u> |

Debtors includes £5,000 (2007 - £5,000) receivable after more than one year.

This can be analysed as follows:

| | 2008 £ | 2007 £ |
|---------------|--------------|--------------|
| Trade debtors | <u>5,000</u> | <u>5,000</u> |

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2008 £ | 2007 £ |
|--|------------------|------------------|
| Bank loans and overdrafts | 363,919 | 1,249,619 |
| Obligations under finance leases and hire purchase contracts | 523,627 | 590,758 |
| Trade creditors | 1,094,046 | 1,070,316 |
| Amounts owed to group undertakings | 2,568,644 | - |
| Corporation tax | 2,904 | 14,657 |
| Social security and other taxes | 206,313 | 222,003 |
| Other creditors | 57,663 | 100,863 |
| Accruals and deferred income | 185,533 | 208,262 |
| | <u>5,002,649</u> | <u>3,456,478</u> |

The bank overdraft is secured by a fixed and floating charge over the company's assets.

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2008 £ | 2007 £ |
|--|----------------|----------------|
| Obligations under finance leases and hire purchase contracts | <u>401,043</u> | <u>925,662</u> |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

14 PROVISIONS FOR LIABILITIES

| | Deferred tax provision £ |
|---|--------------------------------|
| As at 1 April 2007 | 306,111 |
| Deferred tax provision charged to the profit and loss account | 92,508 |
| As at 31 March 2008 | <u>398,619</u> |

15 SHARE CAPITAL

| | 2008 £ | 2007 £ |
|---|----------------|----------------|
| Authorised | | |
| Equity | | |
| 144,000 Ordinary shares of £1 each | <u>144,000</u> | <u>144,000</u> |
| Non-equity | | |
| 6,000 3% Non Cumulative Non Voting Preference Shares shares of £1 each | <u>6,000</u> | <u>6,000</u> |
| Allotted, called up and fully paid | | |
| Equity | | |
| 144,000 Ordinary shares of £1 each | <u>144,000</u> | <u>144,000</u> |
| Non-equity | | |
| 6,000 3% Non Cumulative Non Voting Preference Shares shares of £1 each | <u>6,000</u> | <u>6,000</u> |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

16 RESERVES

| | Share premium reserve £ | Revaluation reserve £ | Tax equalisation account £ | Profit and loss reserve £ | Total £ |
|---|----------------------------------|-----------------------------|-------------------------------------|---------------------------------|------------------|
| Balance at 1 April 2007 | 265,295 | 2,091,842 | 5,315 | 2,261,130 | 4,623,582 |
| Transfer from profit and loss account for the year | - | - | - | 222,359 | 222,359 |
| Transfer of realised profits | - | (172,848) | - | 172,848 | - |
| Dividends | - | - | - | (821,638) | (821,638) |
| Balance at 31 March 2008 | <u>265,295</u> | <u>1,918,994</u> | <u>5,315</u> | <u>1,834,699</u> | <u>4,024,303</u> |

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2008 £ | 2007 £ |
|---|------------------|------------------|
| Profit attributable to members of the company | 222,359 | 228,936 |
| Dividends | (821,638) | - |
| | <u>(599,279)</u> | <u>228,936</u> |
| Opening equity shareholders' funds | <u>4,773,582</u> | <u>4,544,646</u> |
| Closing equity shareholders' funds | <u>4,174,303</u> | <u>4,773,582</u> |

18 CONTINGENT LIABILITIES

On 9 September 1994 the company provided its bankers with an unlimited multilateral guarantee to secure the amounts due to the bank in respect of the other group companies. As at 31 March 2008 group bank borrowings amounted to £0 (2007 - £1,867,660).

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

19 OPERATING LEASE COMMITMENTS

As at 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

| | Lorries | |
|---------------------------|----------------|----------------|
| | 2008 | 2007 |
| | £ | £ |
| Within one year | 114,178 | - |
| Within two and five years | 371,965 | 480,252 |
| | <u>486,143</u> | <u>480,252</u> |

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

20 PENSION SCHEMES

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £8,823 (2007 - £8,698).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

21 RELATED PARTIES

Controlling entity

The ultimate parent company is E T Holdings Limited, a company incorporated in England and Wales. The Evans family are the ultimate controlling party by virtue of their shareholding in the parent company.

EVANS TRANSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

Related party transactions

During the year the company entered into transactions with other group members. These transactions were all undertaken at arms length and open market value.

Evans Transport Limited transactions with Tipton Transport Ltd were:

Sales to Tipton Transport Ltd £663,420

Purchases from Tipton Transport Ltd £226,489

At the year end Evans Transport Limited was owed £34,488 by Tipton Transport Limited as result of the above transactions.

Evans Transport Limited transactions with Frank Tucker (Commercials) Ltd were as follows:

Sales to Frank Tucker (Commercials) Ltd £456,608

Purchase from Frank Tucker (Commercials) Ltd £39,610

At the year end Evans Transport Limited owed £2,071 to Frank Tucker (Commercials) Limited as result of the above transactions.

Evans Transport Limited transactions with E T Holdings Ltd were:

Sales to E T Holdings Ltd £30,361

At the year end Evans Transport Limited was owed £2,773 by E T Holdings Limited as result of the above transactions.

In addition to the regular trade accounts disclosed above, related company balances exist as disclosed within the debtors and creditors notes to the accounts.

During the year the company was charged £28,500 (2007 £170,000) in management charges by E T Holdings Ltd, the parent company.