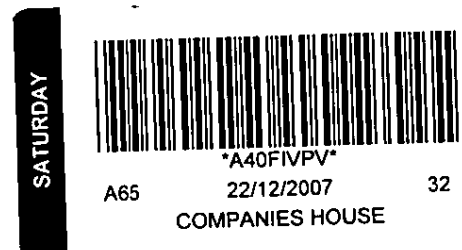


LAMBERT BROTHERS HAULAGE LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 26 MAY 2007



Company Registration Number 00654382

Tenon Limited
Accountants & Business Advisers
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

LAMBERT BROTHERS HAULAGE LIMITED

ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

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LAMBERT BROTHERS HAULAGE LIMITED

THE DIRECTORS' REPORT

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

The directors present their report and the financial statements of the company for the 52 week period from 28 May 2006 to 26 May 2007

Principal activities and business review

The principal activity of the company continued to be that of haulage and general warehousing

During the course of the year the company continued to provide haulage services and general warehousing which grew by 6% in terms of turnover with profitability remaining constant

At the year end the company had shareholders funds of £2,717,264 including distributable reserves of £2,712,764. The directors therefore believe the company's position to be satisfactory, especially as the company's net current assets exceeds its current liabilities by £1,728,381

The directors have assessed the main risk to the company as being the increased price and availability of fuel. The directors believe that these risks are mitigated by the warehousing operations, diversifying the risk of the company through operating an alternative trade

Results and dividends

The profit for the 52 week period, after taxation, amounted to £293,586. The directors have not recommended a dividend

Directors

The directors who served the company during the 52 week period were as follows

R M Lambert
J M Flanders
D W Haines
H J Baker
C G Watkins
R C Trotter

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

LAMBERT BROTHERS HAULAGE LIMITED

THE DIRECTORS' REPORT *(continued)*

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

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

In so far as the directors, individually, are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Donations

During the 52 week period the company made the following contributions

	Period from 28 May 2006 to 26 May 2007	Period from 29 May 2005 to 27 May 2006
	£	£
Charitable	600	700

Auditor

A resolution to re-appoint Tenon Audit Limited as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors


J M Flanders

Director

Approved by the directors on

25/10/2007

LAMBERT BROTHERS HAULAGE LIMITED
INDEPENDENT AUDITOR'S REPORT TO LAMBERT BROTHERS
HAULAGE LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 18, together with the financial statements of Lambert Brothers Haulage Limited for the 52 week period from 28 May 2006 to 26 May 2007 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date - 19 December 2007

LAMBERT BROTHERS HAULAGE LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

	Note	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Gross profit		1,867,044	1,827,895
Administrative expenses		(1,440,139)	(1,389,015)
Operating profit	2	426,905	438,880
Income from fixed asset investments	5	3,500	295
Interest receivable		327	191
Interest payable and similar charges	6	(33,079)	(31,344)
Profit on ordinary activities before taxation		397,653	408,022
Tax on profit on ordinary activities	7	(104,067)	(113,479)
Profit for the financial 52 week period		<u>293,586</u>	<u>294,543</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the 52 week period as set out above

The notes on pages 7 to 18 form part of these abbreviated accounts

LAMBERT BROTHERS HAULAGE LIMITED


ABBREVIATED BALANCE SHEET

26 MAY 2007

	Note	26 May 07 £	£	27 May 06 £	£
Fixed assets					
Tangible assets	9		1,234,223		1,215,436
Investments	10		54,694		54,694
			<u>1,288,917</u>		<u>1,270,130</u>
Current assets					
Stocks	11	59,077		62,133	
Debtors	12	3,288,375		2,827,083	
Cash at bank and in hand		1,750		106,327	
			<u>3,349,202</u>		<u>2,995,543</u>
Creditors: Amounts falling due within one year	13	<u>(1,620,821)</u>		<u>(1,447,936)</u>	
Net current assets			1,728,381		1,547,607
Total assets less current liabilities			<u>3,017,298</u>		<u>2,817,737</u>
Creditors: Amounts falling due after more than one year	14		(242,089)		(338,938)
			<u>2,775,209</u>		<u>2,478,799</u>
Provisions for liabilities					
Deferred taxation	16		(57,945)		(55,121)
			<u>2,717,264</u>		<u>2,423,678</u>
Capital and reserves					
Called-up share capital	19		4,500		4,500
Profit and loss account	20		2,712,764		2,419,178
Shareholders' funds	21		<u>2,717,264</u>		<u>2,423,678</u>

These abbreviated accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 25/10/2007, and are signed on their behalf by


R M Lambert
Director


J M Flanders
Director

The notes on pages 7 to 18 form part of these abbreviated accounts

LAMBERT BROTHERS HAULAGE LIMITED

CASH FLOW STATEMENT

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

	Note	Period from 28 May 06 to 26 May 07 £	£	Period from 29 May 05 to 27 May 06 £	£
Net cash inflow from operating activities	22		585,171		924,545
Returns on investments and Servicing of finance					
Income from other fixed asset investments		3,500		295	
Interest received		327		191	
Interest paid		—		(534)	
Interest element of hire purchase		(33,079)		(30,810)	
Net cash outflow from returns on investments and servicing of finance			(29,252)		(30,858)
Taxation			(116,683)		(115,511)
Capital expenditure					
Payments to acquire tangible fixed assets		(441,440)		(522,639)	
Receipts from sale of fixed assets		172,468		17,438	
Net cash outflow from capital expenditure			(268,972)		(505,201)
Equity dividends paid			—		(100,000)
Cash inflow before financing			170,264		172,975
Financing					
Capital element of hire purchase		(288,748)		(2,289)	
Net cash outflow from financing			(288,748)		(2,289)
(Decrease)/increase in cash	22		(118,484)		170,686

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the period, exclusive of Value Added Tax and trade discounts

Turnover is recognised at the point the service has been provided to the customer. Any amounts un invoiced are accrued for accordingly

Tangible fixed assets

Tangible fixed assets are stated at cost, being purchase price, less depreciation

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Fixtures, Fittings & Equipment	- 10% to 20% on cost, 100% on cost of computers
Motor Vehicles	- 15% to 25% on cost

Stocks

Stocks are valued at the lower of cost, being purchase price, and net realisable value

Hire purchase agreements

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Deferred taxation

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 or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the 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 enacted or substantively enacted at the balance sheet date

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

1. Accounting policies *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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)

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Depreciation of owned fixed assets	294,743	250,055
Depreciation of assets held under hire purchase agreements	215,802	213,577
Profit on disposal of fixed assets	(119,150)	(14,193)
Auditors remuneration	5,000	4,800

Non-audit services provided by the company's auditors amounted to £10,050 (2006 - £6,375)

3. Particulars of employees

The average number of staff employed by the company during the financial 52 week period amounted to

	Period from 28 May 06 to 26 May 07 No	Period from 29 May 05 to 27 May 06 No
Number of production staff	98	93
Number of administrative staff	30	29
Number of management staff	6	6
	<u>134</u>	<u>128</u>

The aggregate payroll costs of the above were

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Wages and salaries	3,192,425	3,023,306
Social security costs	301,894	281,155
Other pension costs	79,686	75,490
	<u>3,574,005</u>	<u>3,379,951</u>

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

3. Particulars of employees *(continued)*

Defined contribution pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. There are no pension creditors at the period end date (2006 - £nil).

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Emoluments receivable	201,042	192,398
Value of company pension contributions to money purchase schemes	27,450	26,986
	<u>228,492</u>	<u>219,384</u>

Emoluments of highest paid director:

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Total emoluments (excluding pension contributions)	84,628	80,548
Value of company pension contributions to money purchase schemes	11,700	11,473
	<u>96,328</u>	<u>92,021</u>

The number of directors on whose behalf the company made pension contributions was as follows

	Period from 28 May 06 to 26 May 07 No	Period from 29 May 05 to 27 May 06 No
Money purchase schemes	<u>3</u>	<u>3</u>

5. Income from fixed asset investments

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Income from fixed asset investments	<u>3,500</u>	<u>295</u>

LAMBERT BROTHERS HAULAGE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

6. Interest payable and similar charges

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Interest payable on bank borrowing	—	534
Finance charges	33,079	30,810
	<u>33,079</u>	<u>31,344</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the 52 week period

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
In respect of the 52 week period		
UK Corporation tax	101,243	116,683
Under provision in prior year	—	(97)
	<u>101,243</u>	<u>116,586</u>
Deferred tax		
Origination and reversal of timing differences	<u>2,824</u>	<u>(3,107)</u>
Total deferred tax (note 16)	2,824	(3,107)
Tax on profit on ordinary activities	<u>104,067</u>	<u>113,479</u>

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

7. Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the 52 week period is lower than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Profit on ordinary activities before taxation	397,653	408,022
Profit on ordinary activities by rate of tax	119,296	122,407
Effects of		
Expenses not deductible for tax purposes	184	353
Capital allowances for period in excess of depreciation	(6,964)	3,107
Tax chargeable at lower rates	(10,073)	(9,095)
Adjustments to tax charge in respect of previous periods	-	(97)
Sundry tax adjusting items	(1,200)	(89)
Total current tax (note 7(a))	101,243	116,586

8 Dividends

Equity dividends

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Paid during the year	-	100,000
Equity dividends on ordinary shares	-	100,000

LAMBERT BROTHERS HAULAGE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

9. Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost			
At 28 May 2006	213,936	3,828,829	4,042,765
Additions	—	582,650	582,650
Disposals	—	(480,249)	(480,249)
At 26 May 2007	<u>213,936</u>	<u>3,931,230</u>	<u>4,145,166</u>
Depreciation			
At 28 May 2006	197,606	2,629,723	2,827,329
Charge for the 52 week period	8,747	501,798	510,545
On disposals	—	(426,931)	(426,931)
At 26 May 2007	<u>206,353</u>	<u>2,704,590</u>	<u>2,910,943</u>
Net book value			
At 26 May 2007	<u>7,583</u>	<u>1,226,640</u>	<u>1,234,223</u>
At 27 May 2006	<u>16,330</u>	<u>1,199,106</u>	<u>1,215,436</u>

Hire purchase agreements

Included within the net book value of £1,234,223 is £618,539 (2006 - £792,151) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the 52 week period in respect of such assets amounted to £215,802 (2006 - £213,577).

10. Investments

	Unlisted Investments £
Cost	
At 28 May 2006 and 26 May 2007	<u>54,694</u>
Net book value	
At 26 May 2007	<u>54,694</u>
At 27 May 2006	<u>54,694</u>

The aggregate market value of the investments is £185,080 (2006 - £185,080)

11. Stocks

	26 May 07 £	27 May 06 £
Finished goods	<u>59,077</u>	<u>62,133</u>

LAMBERT BROTHERS HAULAGE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

12. Debtors

	26 May 07 £	27 May 06 £
Trade debtors	1,658,763	1,631,587
Amounts owed by group undertakings	1,397,731	922,578
Other debtors	50,989	71,659
Prepayments and accrued income	180,892	201,259
	<u>3,288,375</u>	<u>2,827,083</u>

The debtors above include the following amounts falling due after more than one year

	26 May 07 £	27 May 06 £
Other debtors	<u>3,330</u>	<u>5,670</u>

13. Creditors: Amounts falling due within one year

	26 May 07 £	27 May 06 £
Overdrafts	13,907	—
Trade creditors	633,219	603,918
Corporation tax	101,243	116,683
PAYE and social security	92,496	88,198
VAT	245,041	198,036
Hire purchase agreements	215,625	266,314
Other creditors	148,466	137,725
Accruals and deferred income	170,824	37,062
	<u>1,620,821</u>	<u>1,447,936</u>

The bank overdraft is secured by a floating and fixed charge over the assets of the company

Hire purchase liabilities are secured upon the assets to which they relate

14. Creditors: Amounts falling due after more than one year

	26 May 07 £	27 May 06 £
Hire purchase agreements	<u>242,089</u>	<u>338,938</u>

Hire purchase liabilities are secured upon the assets to which they relate

LAMBERT BROTHERS HAULAGE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

15. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	26 May 07	27 May 06
	£	£
Amounts payable within 1 year	215,625	266,314
Amounts payable between 1 and 2 years	155,795	231,881
Amounts payable between 2 and 5 years	86,294	107,057
	<u>457,714</u>	<u>605,252</u>

16. Deferred taxation

The movement in the deferred taxation provision during the 52 week period was

	Period from 28 May 06 to 26 May 07	Period from 29 May 05 to 27 May 06
	£	£
At 28 May 2006	55,121	58,228
Profit and loss account movement arising during the 52 week period	2,824	(3,107)
At 26 May 2007	<u>57,945</u>	<u>55,121</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	26 May 07	27 May 06
	£	£
Excess of taxation allowances over depreciation on fixed assets	65,797	63,534
Other timing differences	(7,852)	(8,413)
	<u>57,945</u>	<u>55,121</u>

17. Contingencies

The assets of the company are used as security against the bank loan of £900,000 (2006 - £900,000), included in the financial statements of Lambert Brothers Holdings Limited, the parent company

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

18. Related party transactions

Lambert Brothers Holdings Limited owns the entire share capital of Lambert Brothers Haulage Limited

Lambert Brothers Holdings Limited and Lambert Brothers Haulage Limited are party to a joint venture company under the name of Lambert Kirk Limited.

The company undertook the following transactions with related parties

	Sales		Purchases	
	2007 £	2006 £	2007 £	2006 £
Lambert Brothers Holdings Limited	248,406	306,828	392,654	490,027
Lambert Kirk Limited	433,194	625,799	—	—
	<u>681,600</u>	<u>932,627</u>	<u>392,654</u>	<u>490,027</u>

	Management charges paid		Commission received	
	2007 £	2006 £	2007 £	2006 £
Lambert Brothers Holdings Limited	223,996	223,996	—	—
Lambert Kirk Limited	—	—	24,176	41,715
	<u>223,996</u>	<u>223,996</u>	<u>24,176</u>	<u>41,715</u>

	Rent payable		Other costs reimbursed	
	2007 £	2006 £	2007 £	2006 £
Lambert Brothers Holdings Limited	52,000	52,000	—	—
Lambert Kirk Limited	—	—	4,408	5,200
	<u>52,000</u>	<u>52,000</u>	<u>4,408</u>	<u>5,200</u>

	Management charges received	
	2007 £	2006 £
Lambert Kirk Limited	<u>18,500</u>	<u>16,500</u>

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

18. Related party transactions *(continued)*

At the year end, the following balances were due from associated companies and included in trade debtors

	Trade Debtors	
	2007 £	2006 £
Lambert Kirk Limited	<u>98,562</u>	<u>118,153</u>

At the year end, the following balances were due from group companies

	Debtors	
	2007 £	2006 £
Lambert Brothers Holdings Limited	<u>1,397,731</u>	<u>922,578</u>

The above transactions were made on a commercial basis, and at arms length

19. Share capital

Authorised share capital:

	26 May 07 £	27 May 06 £
4,500 Ordinary shares of £1 each	<u>4,500</u>	<u>4,500</u>

Allotted, called up and fully paid:

	26 May 07		27 May 06	
	No	£	No	£
Ordinary shares of £1 each	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>

LAMBERT BROTHERS HAULAGE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

20. Profit and loss account

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Balance brought forward as previously reported	2,419,178	2,124,635
Prior year adjustment	—	100,000
Balance brought forward restated	2,419,178	2,224,635
Profit for the financial 52 week period	293,586	294,543
Equity dividends paid	—	(100,000)
Balance carried forward	<u>2,712,764</u>	<u>2,419,178</u>

21. Reconciliation of movements in shareholders' funds

	26 May 07 £	27 May 06 £
Profit for the financial 52 week period	293,586	294,543
Equity dividends paid	—	(100,000)
Net addition to shareholders' funds	293,586	194,543
Opening shareholders' funds	2,423,678	2,129,135
Prior year adjustment	—	100,000
Closing shareholders' funds	<u>2,717,264</u>	<u>2,423,678</u>

22. Notes to the statement of cash flows

Reconciliation of operating profit to net cash inflow from operating activities

	Period from 28 May 06 to 26 May 07 £	Period from 29 May 05 to 27 May 06 £
Operating profit	426,905	438,880
Depreciation	510,545	463,632
Profit on disposal of fixed assets	(119,150)	(14,193)
Decrease in stocks	3,056	9,560
(Increase)/decrease in debtors	(461,292)	55,941
Increase/(decrease) in creditors	225,107	(29,275)
Net cash inflow from operating activities	<u>585,171</u>	<u>924,545</u>

LAMBERT BROTHERS HAULAGE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

52 WEEK PERIOD FROM 28 MAY 2006 TO 26 MAY 2007

22. Notes to the statement of cash flows (continued)

Reconciliation of net cash flow to movement in net debt

	26 May 07		27 May 06	
	£	£	£	£
(Decrease)/increase in cash in the period	(118,484)		170,686	
Cash outflow in respect of hire purchase	<u>288,748</u>		<u>2,289</u>	
Change in net debt resulting from cash flows		170,264		172,975
New hire purchase agreements		(141,210)		—
Movement in net debt in the period		<u>29,054</u>		<u>172,975</u>
Net debt at 28 May 2006		(498,925)		(671,900)
Net debt at 26 May 2007		<u>(469,871)</u>		<u>(498,925)</u>

Analysis of changes in net debt

	At 28 May 2006	Cash flows	Other changes	At 26 May 2007
	£	£	£	£
Net cash:				
Cash in hand and at bank	106,327	(104,577)	—	1,750
Overdrafts	—	(13,907)	—	(13,907)
	<u>106,327</u>	<u>(118,484)</u>	<u>—</u>	<u>(12,157)</u>
Debt				
Hire purchase agreements	(605,252)	288,748	(141,210)	(457,714)
Net debt	<u>(498,925)</u>	<u>170,264</u>	<u>(141,210)</u>	<u>(469,871)</u>

23. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £123,176 (2006 - £230,430)

24. Parent company

The ultimate parent company is Lambert Brothers Holdings Limited, a company registered in England and Wales. A copy of its financial statements can be obtained from the Company Secretary, Woodside Avenue, Eastleigh, Hampshire, SO50 4ZR

The ultimate controlling party is the director R M Lambert, by virtue of his controlling interest in the parent company