

**REGISTERED NUMBER: 01427632 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2010  
FOR  
BERGEN TRANSPORT (HOLDINGS) LIMITED**

**SATURDAY**



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FOR THE YEAR ENDED 30TH JUNE 2010**

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**BERGEN TRANSPORT (HOLDINGS) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30TH JUNE 2010**

<b>DIRECTORS:</b>	Mr A Winterbottom Mr P J Breed Mr J Redikin
<b>SECRETARY:</b>	Mr R M Massey
<b>REGISTERED OFFICE:</b>	Mellors Road Newbridge Trafford Park Manchester M17 1PB
<b>REGISTERED NUMBER:</b>	01427632 (England and Wales)
<b>AUDITORS:</b>	Percy Westhead & Company Chartered Accountants and Statutory Auditors Greg's Buildings 1 Booth Street Manchester M2 4AD
<b>BANKERS:</b>	Barclays Bank PLC Salford Quays Branch Anchorage Quay Salford Quays Manchester M5 2XE
<b>SOLICITORS:</b>	Pannone & Partners 123 Deansgate Manchester M3 2BU

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30TH JUNE 2010**

The directors present their report with the financial statements of the company and the group for the year ended 30th June 2010

**PRINCIPAL ACTIVITY**

The principal activities of the group in the year under review were those of haulage, freight forwarding, and warehousing

**REVIEW OF BUSINESS**

The principle activities of the Group remained unchanged during the year continuing its core business as hauliers, freight forwarders and warehousekeepers. We believe sales revenues were adversely affected by the economic downturn but despite that, turnover across the group was down less than 1.8%

**Haulage**

Turnover, including intercompany transactions, was down by 6.2% but this was affected in part by our decision to reduce the fleet by 6 units. This decision was taken against the backdrop of global recession and uncertain economic recovery. Despite this and the huge rise in fuel prices this activity maintained a positive trading performance ahead of 2009. Profit before rent, management charges and exceptional items in the year represented 4.6% of turnover (2009 - 4.5%)

**Freight Forwarding**

There was no sign that confidence had returned to the British economy. Any progress was hampered by fears over the outcome of the general election and post election concerns. This sentiment was reflected in turnover. Margins were squeezed reflecting the competition in the market. We managed to counter this effect with reductions in overheads resulting in a bottom line before exceptional items ahead of 2009 (2010 - 9.3%, 2009 - 8.9%)

**Warehousing**

The Warehouse performance can only be described as 'in transition' as we explore other opportunities to earn income more efficiently. Sales levels were down 29% on 2009 and net profit was cut by half. Warehousing represents only 2.5% of the Group's turnover (2009 - 3.1%) and consequently its impact on the group trading results is negligible.

**Group Results**

During the year Gross Profit margins showed 16% (2009 - 17.8%). Despite the lower turnover and tighter margins a Profit before Interest, Taxation and Depreciation of £140,623 was achieved (2009 - £157,291). The Net Profit before Taxation position remains positive.

Trade Debtors include debts arising on disbursement of importers VAT and duty liability. Such invoices are not recorded as sales in the freight forwarding profit and loss account. In order to calculate a meaningful collection period the value of these invoices must be removed from the debtors total. The disbursements unpaid at 30th June 2010 were valued at £267,560 (2009 - £240,342) making the collection period when adjusted 62 days (2009 - 42 days).

A similar adjustment is required for creditors days because the Trade Creditors figure includes £523,640 (2009 - £373,962) of liabilities in respect of disbursements that are not recorded as cost of sales in the freight forwarding profit and loss account. When adjusted the creditor days is 35 days (2009 - 26 days).

**Risks and Uncertainties**

The Directors assess the biggest risk to the future of the Group to be the ongoing provision of business finance by the banks and the exposure to failure of its customers and to a lesser degree its suppliers.

The Group is reliant on the provision of an overdraft facility from the bank to meet its working capital requirements. The company is in regular contact with the bank and current forecasts show that the Group will stay within the current facility for the next twelve months.

The Group closely monitors the customers account status and credit checks are implemented for all new customers.

**DIVIDENDS**

No dividends will be distributed for the year ended 30th June 2010.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30TH JUNE 2010**

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st July 2009 to the date of this report

Mr A Winterbottom

Mr P J Breed

Mr J Redikin

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

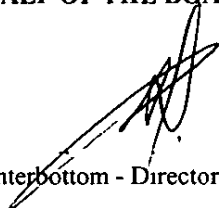
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Percy Westhead & Company, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



Mr A Winterbottom - Director

Date

23 12 10

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BERGEN TRANSPORT (HOLDINGS) LIMITED**

We have audited the financial statements of Bergen Transport (Holdings) Limited for the year ended 30th June 2010 on pages five to twenty five. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 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 the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30th June 2010 and of the group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

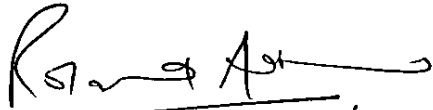
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Mr Roland Adams (Senior Statutory Auditor)  
for and on behalf of Percy Westhead & Company  
Chartered Accountants  
and Statutory Auditors  
Greg's Buildings  
1 Booth Street  
Manchester  
M2 4AD

Date

6. 1. 2011

**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER: 01427632)****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH JUNE 2010**

	Notes	2010 £	2009 £
<b>TURNOVER</b>	2	4,920,268	5,008,551
Cost of sales		4,134,701	4,116,283
<b>GROSS PROFIT</b>		785,567	892,268
Administrative expenses		736,042	761,500
<b>OPERATING PROFIT</b>	4	49,525	130,768
Interest receivable and similar income		220	119
		49,745	130,887
Interest payable and similar charges	6	38,948	54,276
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		10,797	76,611
Tax on profit on ordinary activities	7	12,370	13,829
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(1,573)	62,782

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER: 01427632)**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30TH JUNE 2010**

	2010 £	2009 £
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	(1,573)	62,782
Unrealised deficit on revaluation of freehold land and buildings	-	(178,000)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>(1,573)</u>	<u>(115,218)</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 30TH JUNE 2010**

	2010 £	2009 £
<b>REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	10,797	76,611
Difference between historical cost depreciation and depreciation on revalued amounts	54,202	7,702
<b>HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>64,999</u>	<u>84,313</u>
<b>HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION</b>	<u>52,629</u>	<u>70,484</u>

The notes form part of these financial statements



**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER: 01427632)**

**CONSOLIDATED BALANCE SHEET  
30TH JUNE 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	9	1,988,910	2,118,767
Investments	10	-	-
		<u>1,988,910</u>	<u>2,118,767</u>
<b>CURRENT ASSETS</b>			
Stocks	11	15,944	21,249
Debtors	12	1,747,181	1,422,469
Cash at bank and in hand		49,887	78,146
		<u>1,813,012</u>	<u>1,521,864</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	1,911,982	1,727,416
<b>NET CURRENT LIABILITIES</b>		<u>(98,970)</u>	<u>(205,552)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,889,940</u>	<u>1,913,215</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(43,083)	(67,285)
<b>PROVISIONS FOR LIABILITIES</b>	18	(13,500)	(11,000)
<b>NET ASSETS</b>		<u><u>1,833,357</u></u>	<u><u>1,834,930</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	50,000	50,000
Revaluation reserve	20	1,335,585	1,389,787
Profit and loss account	20	447,772	395,143
<b>SHAREHOLDERS' FUNDS</b>	25	<u><u>1,833,357</u></u>	<u><u>1,834,930</u></u>

The financial statements were approved by the Board of Directors on its behalf by

23 12 10

and were signed on

Mr A Winterbottom - Director

The notes form part of these financial statements

**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER: 01427632)**

**COMPANY BALANCE SHEET  
30TH JUNE 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	9	1,720,331	1,781,390
Investments	10	3	3
		<u>1,720,334</u>	<u>1,781,393</u>
<b>CURRENT ASSETS</b>			
Debtors	12	1,037,798	2,386,783
Cash at bank and in hand		30	38
		<u>1,037,828</u>	<u>2,386,821</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u>1,241,279</u>	<u>1,903,826</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(203,451)</u>	<u>482,995</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,516,883</u>	<u>2,264,388</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	<u>17,203</u>	<u>44,932</u>
<b>NET ASSETS</b>		<u><u>1,499,680</u></u>	<u><u>2,219,456</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	50,000	50,000
Revaluation reserve	20	1,335,585	1,389,787
Profit and loss account	20	<u>114,095</u>	<u>779,669</u>
<b>SHAREHOLDERS' FUNDS</b>	25	<u><u>1,499,680</u></u>	<u><u>2,219,456</u></u>

The financial statements were approved by the Board of Directors on its behalf by

23.12.10

and were signed on

Mr A Winterbottom - Director

The notes form part of these financial statements

**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER. 01427632)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2010**

	Notes	2010 £	2009 £
<b>Net cash inflow from operating activities</b>	1	259,816	300,190
<b>Returns on investments and servicing of finance</b>	2	(38,728)	(54,157)
<b>Taxation</b>		(29,608)	5,779
<b>Capital expenditure</b>	2	(39,127)	45,300
		<u>152,353</u>	<u>297,112</u>
<b>Financing</b>	2	(98,453)	(258,766)
<b>Increase in cash in the period</b>		<u>53,900</u>	<u>38,346</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase in cash in the period		53,900	38,346
Cash outflow from decrease in debt and lease financing		<u>78,974</u>	<u>170,900</u>
Change in net debt resulting from cash flows		<u>132,874</u>	<u>209,246</u>
<b>Movement in net debt in the period</b>		<u>132,874</u>	<u>209,246</u>
<b>Net debt at 1st July</b>		<u>(778,158)</u>	<u>(987,404)</u>
<b>Net debt at 30th June</b>		<u>(645,284)</u>	<u>(778,158)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2010 £	2009 £
Operating profit	49,525	130,768
Depreciation charges	176,529	172,031
Profit on disposal of fixed assets	(7,545)	(20,241)
Decrease in stocks	5,305	11,204
(Increase)/Decrease in debtors	(305,233)	418,848
Increase/(Decrease) in creditors	341,235	(412,420)
<b>Net cash inflow from operating activities</b>	<b>259,816</b>	<b>300,190</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2010 £	2009 £
<b>Returns on investments and servicing of finance</b>		
Interest received	220	119
Interest paid	(29,709)	(40,256)
Interest element of hire purchase payments	(9,239)	(14,020)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(38,728)</b>	<b>(54,157)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(73,552)	-
Sale of tangible fixed assets	34,425	45,300
<b>Net cash (outflow)/inflow for capital expenditure</b>	<b>(39,127)</b>	<b>45,300</b>
<b>Financing</b>		
Loan repayments in year	(28,496)	(26,195)
Movements on HP liability in year	(50,478)	(144,705)
Amount introduced by directors	37,519	4,694
Amount withdrawn by directors	(56,998)	(92,560)
<b>Net cash outflow from financing</b>	<b>(98,453)</b>	<b>(258,766)</b>

**BERGEN TRANSPORT (HOLDINGS) LIMITED (REGISTERED NUMBER: 01427632)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2010**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1/7/09 £	Cash flow £	At 30/6/10 £
Net cash			
Cash at bank and in hand	78,146	(28,259)	49,887
Bank overdrafts	(635,007)	82,159	(552,848)
	<u>(556,861)</u>	<u>53,900</u>	<u>(502,961)</u>
Debt			
Hire purchase	(132,381)	50,478	(81,903)
Debts falling due within one year	(48,504)	(2,534)	(51,038)
Debts falling due after one year	(40,412)	31,030	(9,382)
	<u>(221,297)</u>	<u>78,974</u>	<u>(142,323)</u>
Total	<u>(778,158)</u>	<u>132,874</u>	<u>(645,284)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries (together 'the Group')

**Turnover and revenue recognition**

Revenue from the sale of services is measured at the consideration receivable which equates to the invoiced amounts, excluding value added tax and net of allowances for credits and rebates

Invoices for haulage and freight forwarding services are generally raised on completion of delivery of the related goods, and revenue is recognised in the profit and loss account at this time

Invoices for warehousing services are raised at the month end, and revenue is recognised over the period of storage or on the date of stock movement for handling charges

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- 4% on cost
Plant and machinery	- 20% on cost and 10% on cost
Fixtures and fittings	- 33% on cost and 20% on cost
Motor vehicles	- 30% on reducing balance and 25% on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**Deferred tax**

A deferred tax liability is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

A deferred tax asset is treated as recoverable, and therefore only recognised, when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010**

**1 ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

**Going Concern**

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2. As highlighted in note 15 to the financial statements, the Group meets its day to day working capital requirements through an overdraft facility that is due for renewal in April 2011. The current economic conditions create uncertainty particularly over (a) the level of demand for the Group's services, and (b) the availability of bank finance in the foreseeable future.

The Group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Group should be able to operate within the level of its current facility. The Group will open renewal negotiations with the bank in due course and has at this stage not sought any written commitment that the facility will be renewed. No matters have been drawn to the Group's attention to suggest that renewal may not be forthcoming on acceptable terms.

After making enquiries, the directors have a reasonable expectation that the company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**2 TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below.

	2010	2009
	£	£
Haulage	1,993,053	1,971,285
Freight forwarding	2,806,836	2,863,691
Warehousing	112,653	158,263
Other	7,726	15,312
	<u>4,920,268</u>	<u>5,008,551</u>

**3 STAFF COSTS**

	2010	2009
	£	£
Wages and salaries	933,914	1,056,959
Social security costs	110,789	125,521
Other pension costs	12,036	12,352
	<u>1,056,739</u>	<u>1,194,832</u>

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

	2010	2009
Administration and office staff	14	17
Drivers, mechanics and warehouse	33	36
	<u>47</u>	<u>53</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010**

**4 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Other operating leases	5,826	8,414
Depreciation - owned assets	121,103	66,785
Depreciation - assets on hire purchase contracts	55,426	105,246
Profit on disposal of fixed assets	(7,545)	(20,241)
Auditors' remuneration	18,000	21,230
Other services relating to taxation	2,700	4,870
All other services	590	6,130
Foreign exchange differences	3,030	13,098
	<u>183,732</u>	<u>191,914</u>
Directors' remuneration	183,732	191,914
Directors' pension contributions to money purchase schemes	11,436	11,752
	<u>195,168</u>	<u>203,666</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

**5 EXCEPTIONAL ITEMS**

During the year ended 30th June 2010 creditors of £1,180 (2009 £10,045) became statute barred and were therefore released

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2010 £	2009 £
Bank interest	18,209	23,535
Bank loan interest	4,721	7,115
Other interest	4,779	7,606
Short-term loan interest	2,000	2,000
Hire purchase interest	9,239	14,020
	<u>38,948</u>	<u>54,276</u>

**7 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	2010 £	2009 £
Current tax		
UK corporation tax	9,870	23,829
Deferred tax	2,500	(10,000)
Tax on profit on ordinary activities	<u>12,370</u>	<u>13,829</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010****7 TAXATION - continued****Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>10,797</u>	<u>76,611</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 21%)	2,267	16,088
Effects of		
Expenses not deductible for tax purposes	355	710
Depreciation for period in excess of capital allowances	7,248	12,935
Non taxable income	-	(126)
s455/s419 recovered in year	<u>-</u>	<u>(5,778)</u>
Current tax charge	<u>9,870</u>	<u>23,829</u>

**Factors that may affect future tax charges**

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is approximately £235,000. At present, it is not envisaged that any tax will become payable in the foreseeable future.

**8 LOSS OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(719,776) (2009 - £102,672 profit).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

## 9 TANGIBLE FIXED ASSETS

## Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>					
At 1st July 2009	1,750,000	105,632	38,265	2,772,140	4,666,037
Additions	-	-	-	73,552	73,552
Disposals	-	(295)	-	(618,231)	(618,526)
At 30th June 2010	1,750,000	105,337	38,265	2,227,461	4,121,063
<b>DEPRECIATION</b>					
At 1st July 2009	15,500	101,397	38,265	2,392,108	2,547,270
Charge for year	62,000	1,237	-	113,292	176,529
Eliminated on disposal	-	(240)	-	(591,406)	(591,646)
At 30th June 2010	77,500	102,394	38,265	1,913,994	2,132,153
<b>NET BOOK VALUE</b>					
At 30th June 2010	1,672,500	2,943	-	313,467	1,988,910
At 30th June 2009	1,734,500	4,235	-	380,032	2,118,767

Included in cost or valuation of land and buildings is freehold land of £175,000 (2009 - £175,000) which is not depreciated

Cost or valuation at 30th June 2010 is represented by

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2009	1,750,000	-	-	-	1,750,000
Cost	-	105,337	38,265	2,227,461	2,371,063
	1,750,000	105,337	38,265	2,227,461	4,121,063

If freehold property had not been revalued it would have been included at the following historical cost

	2010 £	2009 £
Cost	455,880	455,880
Aggregate depreciation	118,967	111,169
Value of land in freehold land and buildings	66,000	66,000

Freehold land and buildings were independently valued on an open market basis at 7th April 2009 by Messrs GVA Grimley, Chartered Surveyors

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

## 9 TANGIBLE FIXED ASSETS - continued

## Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
<b>COST OR VALUATION</b>	
At 1st July 2009	401,132
Additions	73,552
Transfer to ownership	(74,632)
At 30th June 2010	400,052
<b>DEPRECIATION</b>	
At 1st July 2009	234,148
Charge for year	55,426
Transfer to ownership	(44,022)
At 30th June 2010	245,552
<b>NET BOOK VALUE</b>	
At 30th June 2010	154,500
At 30th June 2009	166,984

## Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>					
At 1st July 2009	1,750,000	87,588	38,265	107,348	1,983,201
Additions	-	-	-	17,422	17,422
Disposals	-	-	-	(15,495)	(15,495)
At 30th June 2010	1,750,000	87,588	38,265	109,275	1,985,128
<b>DEPRECIATION</b>					
At 1st July 2009	15,500	86,228	38,265	61,818	201,811
Charge for year	62,000	532	-	13,699	76,231
Eliminated on disposal	-	-	-	(13,245)	(13,245)
At 30th June 2010	77,500	86,760	38,265	62,272	264,797
<b>NET BOOK VALUE</b>					
At 30th June 2010	1,672,500	828	-	47,003	1,720,331
At 30th June 2009	1,734,500	1,360	-	45,530	1,781,390

Included in cost or valuation of land and buildings is freehold land of £175,000 (2009 - £175,000) which is not depreciated

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010**

**9 TANGIBLE FIXED ASSETS - continued**

**Group**

Cost or valuation at 30th June 2010 is represented by

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2009	1,750,000	-	-	-	1,750,000
Cost	-	87,588	38,265	109,275	235,128
	<u>1,750,000</u>	<u>87,588</u>	<u>38,265</u>	<u>109,275</u>	<u>1,985,128</u>

If freehold property had not been revalued it would have been included at the following historical cost

	2010 £	2009 £
Cost	<u>455,880</u>	<u>455,880</u>
Aggregate depreciation	<u>118,967</u>	<u>111,169</u>
Value of land in freehold land and buildings	<u>66,000</u>	<u>66,000</u>

Freehold land and buildings were independently valued on an open market basis at 7th April 2009 by Messrs GVA Grimley, Chartered Surveyors

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
<b>COST OR VALUATION</b>	
At 1st July 2009	52,720
Additions	17,422
Transfer to ownership	<u>(32,220)</u>
At 30th June 2010	<u>37,922</u>
<b>DEPRECIATION</b>	
At 1st July 2009	22,562
Charge for year	6,063
Transfer to ownership	<u>(16,157)</u>
At 30th June 2010	<u>12,468</u>
<b>NET BOOK VALUE</b>	
At 30th June 2010	<u>25,454</u>
At 30th June 2009	<u>30,158</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

## 10 FIXED ASSET INVESTMENTS

## Company

Shares in  
group  
undertakings  
£

## COST

At 1st July 2009  
and 30th June 2010

3

## NET BOOK VALUE

At 30th June 2010

3

At 30th June 2009

3

## 11 STOCKS

## Group

2010

2009

£

£

Motor spares and fuel

15,944

21,249

## 12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

## Group

2010

2009

£

£

Trade debtors

1,106,329

820,054

Amounts owed by group undertakings

-

-

Other debtors

93,853

77,675

Directors' loan accounts

393,002

373,523

Prepayments and accrued income

153,997

151,217

1,747,181

1,422,469

## Company

2010

2009

£

£

-

-

554,151

1,907,568

81,230

70,473

321,646

323,715

80,771

85,027

1,037,798

2,386,783

## 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

## Group

2010

2009

£

£

Bank loans and overdrafts (see note 15)

583,886

663,511

Other loans (see note 15)

20,000

20,000

Hire purchase contracts (see note 16)

48,202

105,508

Trade creditors

918,144

608,097

Amounts owed to group undertakings

-

-

Tax

9,870

29,608

Social security and other taxes

40,496

30,702

VAT

5,293

7,649

Other creditors

141,749

115,469

Accrued expenses

144,342

146,872

1,911,982

1,727,416

## Company

2010

2009

£

£

583,886

660,079

20,000

20,000

9,512

12,344

82,542

93,413

411,036

958,782

-

14,804

6,971

6,850

16,316

16,313

75,484

74,924

35,532

46,317

1,241,279

1,903,826

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010**

**14 CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Bank loans (see note 15)	9,382	40,412	9,382	40,412
Hire purchase contracts (see note 16)	33,701	26,873	7,821	4,520
	<u>43,083</u>	<u>67,285</u>	<u>17,203</u>	<u>44,932</u>

**15 LOANS**

An analysis of the maturity of loans is given below

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	552,848	635,007	552,848	631,575
Bank loans	31,038	28,504	31,038	28,504
Short term loan	20,000	20,000	20,000	20,000
	<u>603,886</u>	<u>683,511</u>	<u>603,886</u>	<u>680,079</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	<u>9,382</u>	<u>31,039</u>	<u>9,382</u>	<u>31,039</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>-</u>	<u>9,373</u>	<u>-</u>	<u>9,373</u>

The short-term loan of £20,000 bears interest at 10% per annum and is repayable on demand

Interest on the bank loan is charged at 8.55% per annum. The bank loan is repayable over a ten year period by monthly instalments commencing in 2001.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

16 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2010 £	2009 £
Gross obligations repayable		
Within one year	51,813	111,252
Between one and five years	35,485	27,322
	<u>87,298</u>	<u>138,574</u>
Finance charges repayable		
Within one year	3,611	5,744
Between one and five years	1,784	449
	<u>5,395</u>	<u>6,193</u>
Net obligations repayable		
Within one year	48,202	105,508
Between one and five years	33,701	26,873
	<u>81,903</u>	<u>132,381</u>

Company

	Hire purchase contracts	
	2010 £	2009 £
Gross obligations repayable		
Within one year	10,327	13,144
Between one and five years	8,197	4,642
	<u>18,524</u>	<u>17,786</u>
Finance charges repayable		
Within one year	815	800
Between one and five years	376	122
	<u>1,191</u>	<u>922</u>
Net obligations repayable		
Within one year	9,512	12,344
Between one and five years	7,821	4,520
	<u>17,333</u>	<u>16,864</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

16 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year

Group

	Other operating leases	
	2010	2009
	£	£
Expiring		
Within one year	119	-
Between one and five years	-	238
	<u>119</u>	<u>238</u>

Company

	Other operating leases	
	2010	2009
	£	£
Expiring		
Within one year	119	-
Between one and five years	-	238
	<u>119</u>	<u>238</u>

17 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank overdrafts	552,848	635,007	552,848	631,575
Bank loans	40,420	68,916	40,420	68,916
Hire purchase contracts	81,903	132,381	17,333	16,864
	<u>675,171</u>	<u>836,304</u>	<u>610,601</u>	<u>717,355</u>

The bank loan is secured by a first legal charge over the parent company's freehold property. The bank overdraft is secured by a second legal charge over the freehold property and a fixed and floating charge over the parent company's other assets.

A cross party guarantee is in place between the parent company and all of its subsidiaries, securing all bank liabilities within the group against a floating charge on all group assets.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010

18 PROVISIONS FOR LIABILITIES

	Group	
	2010 £	2009 £
Deferred tax		
Accelerated capital allowances	<u>13,500</u>	<u>11,000</u>
<b>Group</b>		
		Deferred tax £
Balance at 1st July 2009		11,000
Transfer to profit and loss		<u>2,500</u>
Balance at 30th June 2010		<u>13,500</u>

19 CALLED UP SHARE CAPITAL

Allotted and issued				
Number	Class	Nominal value £1	2010 £	2009 £
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>

20 RESERVES

Group			
	Profit and loss account £	Revaluation reserve £	Totals £
At 1st July 2009	395,143	1,389,787	1,784,930
Deficit for the year	(1,573)		(1,573)
Transfer to profit & loss	<u>54,202</u>	<u>(54,202)</u>	<u>-</u>
At 30th June 2010	<u>447,772</u>	<u>1,335,585</u>	<u>1,783,357</u>
<b>Company</b>			
	Profit and loss account £	Revaluation reserve £	Totals £
At 1st July 2009	779,669	1,389,787	2,169,456
Deficit for the year	(719,776)		(719,776)
Transfer to profit & loss	<u>54,202</u>	<u>(54,202)</u>	<u>-</u>
At 30th June 2010	<u>114,095</u>	<u>1,335,585</u>	<u>1,449,680</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30TH JUNE 2010**

**21 CONTINGENT LIABILITIES**

The group has a trade indemnity in favour of H M Revenue & Customs for the sum of £125,000 with Hermes Credit & Guarantee PLC. The trade indemnity covers the operations of the subsidiary Bergen Freight Forwarding Limited.

**22 TRANSACTIONS WITH DIRECTORS**

The following loan to directors subsisted during the years ended 30th June 2010 and 30th June 2009

	2010 £	2009 £
<b>Mr A Winterbottom</b>		
Balance outstanding at start of year	373,523	285,657
Amounts advanced	56,998	92,560
Amounts repaid	(37,519)	(4,694)
Balance outstanding at end of year	<u>393,002</u>	<u>373,523</u>

Mr A Winterbottom has provided a personal guarantee limited to £40,000 to the group's bankers for the parent company's overdraft facility.

**23 RELATED PARTY DISCLOSURES**

Exemption has been taken under FRS8 to exclude the requirement to disclose transactions between wholly owned subsidiaries and the parent company. Having taken account of this exemption and the transactions with the directors disclosed above there are no related party transactions that require disclosure.

**24 ULTIMATE CONTROLLING PARTY**

In the directors' opinion, the group is under the control of Mr A Winterbottom by virtue of his majority shareholding in the parent company.

**25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

<b>Group</b>	2010 £	2009 £
(Loss)/Profit for the financial year	(1,573)	62,782
Other recognised gains and losses relating to the year (net)	-	(178,000)
<b>Net reduction of shareholders' funds</b>	<u>(1,573)</u>	<u>(115,218)</u>
Opening shareholders' funds	1,834,930	1,950,148
<b>Closing shareholders' funds</b>	<u>1,833,357</u>	<u>1,834,930</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30TH JUNE 2010**

**25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued**

**Company**

	2010	2009
	£	£
(Loss)/Profit for the financial year	(719,776)	102,672
Other recognised gains and losses relating to the year (net)	-	(178,000)
<b>Net reduction of shareholders' funds</b>	<b>(719,776)</b>	<b>(75,328)</b>
Opening shareholders' funds	2,219,456	2,294,784
<b>Closing shareholders' funds</b>	<b>1,499,680</b>	<b>2,219,456</b>