Financial Statements Barton Petroleum (Holdings) Limited and subsidiary undertakings

For the year ended 31 March 2013

Registered number 05073551

Company information

Company registration number	05073551
Registered office	Vaux Road Finedon Road Industrial Estate WELLINGBOROUGH Northamptonshire NN8 4TG
Directors	R J Burton D J Burton
Secretary	L M Burton
Bankers	HSBC Bank plc 15 High Street MARKET HARBOROUGH Leicestershire LE1 BB
Solicitors	Howes Percival Oxford House Cliftonville NORTHAMPTON NN1 5PN
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor 300 Pavilion Drive Northampton Business Park NORTHAMPTON NN4 7YE

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Directors' Report
for the year ended 31 March 2013

The directors present their report and the financial statements of the group for the year ended 31 March 2013

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 laws) 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 and 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 judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 transactions and 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 2006 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

Principal activities

The principal activity of the company is that of a holding company It did not trade during the year

The principal activity of the group is in the distribution of petroleum products and related activities

Business review

The directors are pleased to report an improved performance this year in line with expectations Operating profit before exceptional items has increased by 1 13% and turnover has increased by 9 05% They are optimistic that the company is in good shape to take advantage of an improving economic environment

Key performance indicators - financial
The directors' main performance indicators used to manage the critical financial aspects of the business are gross margin, volume turnover and debtor days

The gross margin increased slightly to 6 2% due to changes in product mix arising from the colder and wetter winter Oil prices continue to be volatile and a difficult trading environment continues to affect customers

Debtor days are used to assist the careful management of working capital On a year end count-back basis this measurement showed that debtors days have decreased slightly to 31

Directors' Report
for the year ended 31 March 2013

Key performance indicators - non-financial
The directors' main non-financial performance indicators used to manage the business are greenhouse gas emissions and paper waste

The level of greenhouse gases is carefully monitored Approximately 7 3 tonnes per annum of heating oils are emitted and 345 tonnes of road fuels are utilised

Of the paper used within the business, 80% is recycled per annum

Results and dividends

The profit for the year, after taxation, amounted to £533,558 (2012 - £824,588)

Particulars of dividends paid are disclosed in the notes to the accounts

Directors

The directors who served during the year were

R J Burton
D J Burton

Principal risks and certainties

The group uses various financial instruments including cash, trade debtors and trade creditors that arise directly from its operations The main purpose of these financial instruments is to raise finance for the group's operations The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below

The main risks arising from the group's financial instruments are price risk, liquidity risk and credit risk

Price risk
The group's exposure to price risk consists mainly of its exposure to movements in oil prices This risk is managed by daily monitoring of the oil prices from the group's main supplier

Liquidity risk
The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably

Credit risk
The group's principal financial assets are cash and trade debtors

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history

Any residual risk is covered by credit insurance

Directors' Report

for the year ended 31 March 2013

Land and Buildings

The directors are of the opinion that in aggregate the market value of the land and buildings is in excess of the book value

Provision of information to auditor

Each of the persons who are directors at the time when the Directors' Report is approved has confirmed that

- as far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the director has taken all steps that they ought to have taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP, will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 23·10·13 and signed on its behalf

R J Burton
Director

Grant Thornton

Independent auditor's report to the members of Barton Petroleum (Holdings) Limited

We have audited the financial statements of Barton Petroleum (Holdings) Limited for the year ended 31 March 2013 which comprise the group profit and loss account, the group statement of total recognised gains and losses, the group and company balance sheets, the group consolidated cash flow statement and the related notes 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 an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2013 and of the group's profit for the year then ended,
- 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

Grant Thornton

Independent auditor's report to the members of Barton Petroleum (Holdings) Limited

Opinion on other matters 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, 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

Grant Thornton UK LLP

Andrew Dixon (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Northampton
Date
24 OCTOBER 2013

Consolidated profit and loss account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1,2	**78,218,064**	71,724,778
Cost of sales		**(73,405,730)**	(67,654,709)
Gross profit		**4,812,334**	4,070,069
Distribution costs		**(1,766,358)**	(1,540,489)
Administrative expenses		**(2,395,752)**	(1,887,138)
Other operating income	3	**4,250**	3,635
Operating profit before exceptional item	4	**654,474**	646,077
Exceptional item	10		
Other exceptional item		**-**	416,000
Operating profit after exceptional item		**654,474**	1,062,077
Interest receivable and similar income		**9,293**	8,648
Interest payable and similar charges	8	**(191)**	(877)
Other finance income	9	**21,000**	28,000
Profit on ordinary activities before taxation		**684,576**	1,097,848
Tax on profit on ordinary activities	11	**(151,018)**	(273,260)
Profit for the financial year	22	**533,558**	824,588

All amounts relate to continuing operations

Statement of total recognised gains and losses

For the year ended 31 March 2013

	Note	2013 £	2012 £
Profit for the financial year		**533,558**	824,588
Actuarial loss related to pension scheme	28	**(842,000)**	(76,000)
Deferred tax attributable to actuarial loss	28	**202,080**	19,780
Pension surplus not recognised	28	**480,860**	(578,000)
Total recognised gains and losses relating to the year		**374,498**	190,368

The accompanying accounting policies and notes form part of these financial statements.

Consolidated balance sheet

As at 31 March 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Intangible assets	12		**274,126**		277,228
Tangible assets	13		**2,490,175**		2,587,672
			2,764,301		2,864,900
Current assets					
Stocks	16	**1,099,983**		1,129,891	
Debtors	17	**8,789,299**		8,512,988	
Cash at bank and in hand		**5,025,925**		3,733,672	
		14,915,207		13,376,551	
Creditors: amounts falling due within one year	18	**(9,696,477)**		(8,434,763)	
Net current assets			**5,218,730**		4,941,788
Total assets less current liabilities			**7,983,031**		7,806,688
Creditors: amounts falling due after one year	19		**(971)**		(2,636)
Provisions for liabilities					
Deferred taxation	20		**(27,213)**		(23,703)
Net assets			**7,954,847**		7,780,349
Capital and reserves					
Called-up equity share capital	21		**50**		50
Other reserves	22		**50**		50
Profit and loss account	22		**7,954,747**		7,780,249
Shareholders' funds	23		**7,954,847**		7,780,349

The financial statements were approved and authorised for issue by the board and were signed on its behalf

RJ Burton
Director

Date 23·10·13

Company balance sheet

As at 31 March 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Investments	14		**793,780**		793,780
			793,780		793,780
Current assets					
Debtors	17	**200,000**		50,000	
		200,000		50,000	
Creditors: amounts falling due within one year	18	**(200,000)**		(50,000)	
Net current assets			**-**		-
Total assets less current liabilities			**793,780**		793,780
Creditors: amounts falling due after one year	19		**(793,730)**		(793,730)
			50		50
Capital and reserves					
Called-up equity share capital	21		**50**		50
Shareholders' funds	23		**50**		50

The financial statements were approved and authorised for issue by the board and were signed on its behalf

R J Burton
Director

Date 23·10·13

Consolidated cash flow statement

For the year ended 31 March 2013

	Note	2013 £	2012 £
Net cash inflow from operating activities	25	**1,584,377**	333,402
Returns on investments and servicing of finance	26	**9,102**	7,771
Taxation		**(31,075)**	(300,498)
Capital expenditure and financial investment	26	**(198,485)**	(550,892)
Acquisition	26	**(20,000)**	-
Equity dividends paid		**(50,000)**	-
Cash inflow/(outflow) before financing		**1,293,919**	(510,217)
Financing	26	**(1,666)**	(12,042)
Increase/(decrease) in cash in the year		**1,292,253**	(522,259)

Reconciliation of net cash flow to movement in net funds

For the year ended 31 March 2013

	2013 £	2012 £
Increase/(decrease) in cash in the year	**1,292,253**	(522,259)
Cash outflow from decrease in debt and lease financing	**1,666**	7,047
Movement in net funds in the year	**1,293,919**	(515,212)
Net funds at 1 April 2012	**3,729,370**	4,244,582
Net funds at 31 March 2013	**5,023,289**	3,729,370

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2013

1 Accounting policies

Basis of accounting

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

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

Basis of consolidation

The financial statements consolidate the accounts of Barton Petroleum (Holdings) Limited and all of its subsidiary undertakings ('subsidiaries') Profits or losses on intra-group transactions are eliminated in full

Turnover

Turnover comprises revenue recognised by the group in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

Revenue arising from the sale of goods is recognised when significant risks and benefits of ownership of the product have transferred to the purchaser upon shipment of the goods Revenue arising from the provision of services is recognised when the service is considered complete

Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities It is amortised to the profit and loss account over its estimated economic life

Amortisation is provided at the following rate

Goodwill	-	20 years

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation Depreciation is not charged on freehold land Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their useful economic lives on the following bases

Freehold Property	-	25 years
Long-term leasehold Property	-	Life of the lease
Plant & Machinery	-	2 to 16 years
Motor Vehicles	-	4 to 6 years

Investments

Investments in subsidiaries are valued at cost less provision for impairment

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives Assets acquired by hire purchase are depreciated over their useful lives Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company Obligations under such agreements are included in creditors net of the finance charge allocated to future periods The financial 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

Notes to the financial statements

For the year ended 31 March 2013

Accounting policies (continued)

Operating leases

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

Stocks

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

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

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

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

Pension

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

The group operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 6 April 2010 The scheme closed for future accrual of benefits on 30 June 2011

The group has applied the amendment to FRS17 Retirement Benefits which is effective for accounting periods commencing on or after 6 April 2007 The amendment to FRS17 primarily affects disclosures in relation to defined benefit pension schemes However, for quoted securities the fair value is now taken to be the current bid price rather than the mid-market value The change has affected disclosure only and has not lead to any prior year adjustment

Scheme assets are measured at fair values Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at the appropriate high quality corporate bond rates The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet A net surplus is recognised only to the extent that it is recoverable by the group

The current service cost and costs from settlements and curtailments are charged against operating profit Past service costs are spread over the period until the benefit increases vest Interest charged on the scheme liabilities and the expected return on scheme assets are included in other finance costs Actuarial gains and losses are reported in the statement of total recognised gains and losses

Notes to the financial statements

For the year ended 31 March 2013

2 Turnover

Turnover is attributable to the principal activity of the group as stated in the Report of the Directors

All turnover arose within the United Kingdom

3 Other operating income

	2013	2012
	£	£
Other operating income	**4,250**	3,635

4 Operating profit

The operating profit is stated after charging

	2013	2012
	£	£
Amortisation – intangible fixed assets	**23,102**	23,102
Depreciation of tangible fixed assets		
- owned by the group	**369,954**	410,740
- held under finance leases	**828**	4,295
Operating lease rentals		
- other operating leases	**52,249**	50,348

5 Auditor's remuneration

	2013	2012
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	**5,000**	5,000
Fees payable to the company's auditor and its associates in respect of		
- Other services supplied pursuant to such legislation	**17,660**	17,000
- Other services relating to taxation	**4,580**	4,450

Notes to the financial statements

For the year ended 31 March 2013

6 Staff costs

Staff costs, including directors' remuneration, were as follows

	2013	2012
	£	£
Wages and salaries	**2,465,485**	1,997,977
Social security costs	**291,587**	211,144
Other pension costs (note 28)	**165,751**	37,836
	2,922,823	2,246,957

The average monthly number of employees, including the directors, during the year were as follows

	2013	2012
	No	No
	69	71

7 Directors' remuneration

	2013	2012
	£	£
Emoluments receivable	**153,881**	73,653

8 Interest payable

	2013	2012
	£	£
On finance leases and hire purchase contracts	**191**	877

9 Other finance income/(costs)

	2013	2012
	£	£
Expected return on pension scheme assets	**206,000**	230,000
Interest on pension scheme liabilities	**(185,000)**	(202,000)
	21,000	28,000

10 Exceptional item

	2013	2012
	£	£
Gain on curtailment of the defined benefit pension scheme (note 28)	**-**	416,000

Notes to the financial statements

For the year ended 31 March 2013

11 Taxation

Analysis of charge in the year

	2013 £	2012 £
Current tax (see note below)		
UK Corporation tax charge on profit for the year	**137,802**	89,309
Adjustment in respect of prior periods	**530**	(3,741)
Total current tax	**138,332**	85,568
Deferred tax		
Origination and reversal of timing differences	**(431)**	(21,559)
Effect of decreased tax rate on opening liability	**(630)**	(2,241)
Under provision in prior year	**1,807**	2,492
FRS 17 deferred tax movement	**11,940**	209,000
Total deferred tax	**12,686**	187,692
Tax on profit on ordinary activities	**151,018**	273,260

Factors affecting current tax charge

The tax assessed for the year is lower than (2012 – lower than) the standard rate of corporation tax in the UK of 24% (2012 - 26%) The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	**684,576**	1,097,848
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 - 26%)	**164,298**	285,440
Effects of:		
Expenses not deductible for tax purposes	**6,137**	7,380
Capital allowances for year in excess of depreciation	**2,542**	18,451
Adjustments to tax charge in respect of prior periods	**530**	(3,741)
Adjustment to tax rate	**213**	(6,386)
Marginal relief	**(1,692)**	(6,577)
Tax credits	**(14)**	1
Defined benefit scheme not taxable	**(41,040)**	(209,000)
Other differences leading to a decrease in the tax charge	**7,358**	-
Current tax charge for the year (see note above)	**138,332**	85,568

Notes to the financial statements

For the year ended 31 March 2013

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 April 2012	462,044
Additions	20,000
At 31 March 2013	482,044
Amortisation	
At 1 April 2012	184,816
Provided in the year	23,102
At 31 March 2013	207,918
Net book value	
At 31 March 2013	**274,126**
At 31 March 2012	277,228

On 31 March 2013 the group acquired MK Oil, an unincorporated business for £35,000 comprising fixed assets of £15,000 and goodwill of £20,000

13 Tangible fixed assets

Group	Freehold property £	L/term leasehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost					
At 1 April 2012	1,543,584	396,229	1,029,807	2,743,629	5,713,249
Additions	-	-	7,482	281,453	288,935
Disposals	-	-	-	(421,925)	(421,925)
At 31 March 2013	1,543,584	396,229	1,037,289	2,603,925	5,580,259
Depreciation					
At 1 April 2012	245,565	96,964	791,383	1,991,665	3,125,577
Charge for the year	21,454	13,020	59,745	276,563	370,782
On disposals	-	-	-	(406,275)	(406,275)
At 31 March 2013	267,019	109,984	851,128	1,861,953	3,090,084
Net book value					
At 31 March 2013	**1,276,565**	**286,245**	**186,161**	**741,204**	**2,490,175**
At 31 March 2012	1,298,019	299,265	238,424	751,964	2,587,672

Notes to the financial statements

For the year ended 31 March 2013

Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

Group	**2013** £	2012 £
Motor vehicles	**4,995**	4,995

Included in freehold property is freehold land at cost of £609,754 (2012 - £609,754) which is not depreciated

14 Fixed asset investments

Company	Investments in subsidiary undertakings £
Cost or valuation	
At 1 April 2012 and at 31 March 2013	**793,780**
Net book value	
At 31 March 2013	**793,780**
At 31 March 2012	793,780

15 Principal subsidiaries

Company name	Country	Percentage shareholding	Nature of business
Barton Petroleum Limited	England and Wales	100	Distribution of petroleum products
FW Abbott Limited	England and Wales	100	Maintenance and repair of commercial vehicles

16 Stocks

	The group		The company	
	2013 £	2012 £	**2013** £	2012 £
Raw materials	**23,019**	17,557	**-**	-
Work in progress	**20,843**	16,875	**-**	-
Goods for resale	**1,056,121**	1,095,459	**-**	-
	1,099,983	1,129,891	**-**	-

Notes to the financial statements

For the year ended 31 March 2013

17 Debtors

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Trade debtors	**7,700,865**	7,946,298	**-**	-
Amounts owed by group undertakings	**-**	-	**200,000**	50,000
Prepayments and accrued income	**1,088,434**	566,690	**-**	-
	8,789,299	8,512,988	**200,000**	50,000

18 Creditors: amounts falling due within one year

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Trade creditors	**8,812,341**	8,216,440	**-**	-
Corporation tax	**137,801**	33,308	**-**	-
Social security and other taxation	**153,929**	100,194	**-**	-
Net obligations under finance leases and hire purchase contracts	**1,665**	1,666	**-**	-
Accruals and deferred income	**590,741**	83,155	**200,000**	50,000
	9,696,477	8,434,763	**200,000**	50,000

19 Creditors: amounts falling due after more than one year

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Net obligations under finance leases and hire purchase contracts	**971**	2,636	**-**	-
Amounts owed to group undertakings	**-**	-	**793,730**	793,730
	971	2,636	**793,730**	793,730

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Between one and five years	**971**	2,636	**-**	-

Notes to the financial statements

For the year ended 31 March 2013

20 Deferred taxation

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
At 1 April 2012	**23,703**	45,011	**-**	-
Provided/(released) during the year	**3,510**	(21,308)	**-**	-
At 31 March 2013	**27,213**	23,703	**-**	-

The provision for deferred taxation is made up as follows

	The group		The company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Accelerated capital allowances	**30,230**	23,703	**-**	-
Short term timing differences	**(3,017)**	-	**-**	-
	27,213	23,703	**-**	-

21 Share capital

	2013	2012
	£	£
Authorised, allotted, called up and fully paid		
50 Ordinary shares of £1 each	**50**	50

22 Reserves

Group	Capital redemption reserve	Profit and loss account
	£	£
At 1 April 2012	50	7,780,249
Profit for the year	-	533,558
Dividends Equity capital	-	(200,000)
Pension reserve movement	-	(159,060)
At 31 March 2013	**50**	**7,954,747**

Company	Profit and loss account
	£
At 1 April 2012	-
Profit for the year	200,000
Dividends Equity capital	(200,000)
At 31 March 2013	-

Notes to the financial statements

For the year ended 31 March 2013

23 Reconciliation of movements in shareholders' funds

Group	2013 £	2012 £
Opening shareholders' funds	**7,780,349**	7,639,981
Profit for the year	**533,558**	824,588
Dividends (note 24)	**(200,000)**	(50,000)
Other recognised gains and losses during the year	**(159,060)**	(634,220)
Closing shareholders' funds	**7,954,847**	7,780,349

Company	2013 £	2012 £
Opening shareholders' funds	**50**	50
Profit for the year	**200,000**	50,000
Dividends (note 24)	**(200,000)**	(50,000)
Closing shareholders' funds	**50**	50

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £200,000 (2012 - £50,000)

24 Dividends

	2013 £	2012 £
Dividends on equity capital	**200,000**	50,000

25 Net cash flow from operating activities

	2013 £	2012 £
Operating profit	**654,474**	646,077
Gain on curtailment of pension scheme	**-**	416,000
Amortisation of intangible fixed assets	**23,102**	23,102
Depreciation of tangible fixed assets	**370,782**	415,035
Profit on disposal of tangible fixed assets	**(74,800)**	(34,034)
Decrease/(increase) in stocks	**29,908**	(107,200)
(Increase)/decrease in debtors	**(276,311)**	199,575
Increase/(decrease) in creditors	**1,007,222**	(449,153)
Decrease in net pension assets/liabilities	**(150,000)**	(776,000)
Net cash inflow from operating activities	**1,584,377**	333,402

Notes to the financial statements

For the year ended 31 March 2013

26 Analysis of cash flows for headings netted in cash flow statement

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	9,293	8,648
Interest element of finance leases and hire purchase	(191)	(877)
Net cash inflow from returns on investments and servicing of finance	9,102	7,771
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(288,935)	(587,117)
Sale of fixed assets	90,450	36,225
Net cash outflow from capital expenditure	(198,485)	(550,892)
Acquisitions		
Purchase of intangible fixed assets	(20,000)	-
Net cash outflow from acquisitions	(20,000)	-
Financing		
Repayment of finance leases	(1,666)	(12,042)

27 Analysis of changes in net funds

	At 1 Apr 2012 £	Cash flow £	At 31 Mar 2013 £
Cash at bank and in hand	3,733,672	1,292,253	5,025,925
	3,733,672	1,292,253	5,025,925
Debt:			
Finance leases	(4,302)	1,666	(2,636)
Net funds	3,729,370	1,293,919	5,023,289

Notes to the financial statements

For the year ended 31 March 2013

28 Pension commitments

The group 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 group operates a defined benefit pension scheme

Pension contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method A full actuarial valuation was carried out at 6 April 2010 and updated at 31 March 2013

Benefits are payable based on final pensionable pay The assets of the scheme are administered by trustees in a fund independent from the assets of the company

The amounts recognised in the balance sheet are as follows

	2013	2012
	£	£
Present value of funded obligations	**(4,527,000)**	(3,629,000)
Fair value of plan assets	**(5,311,000)**	5,084,000
Surplus in scheme	**784,000**	1,455,000
Surplus not recognised	**(784,000)**	(1,455,000)
Net asset	**-**	-

The amounts recognised in profit or loss are as follows

	2013	2012
	£	£
Current service cost	**-**	(59,000)
Interest on obligation	**(185,000)**	(202,000)
Expected return on scheme assets	**206,000**	230,000
Gain on curtailment	**-**	416,000
Total	**21,000**	385,000
Actual return on scheme assets	**229,000**	439,000

Changes in the present value of the defined benefit obligation are as follows

	2013	2012
	£	£
Opening defined benefit obligation	**3,629,000**	3,668,000
Current service cost	**-**	59,000
Interest cost	**185,000**	202,000
Actuarial losses	**865,000**	285,000
Gain on curtailment	**-**	(416,000)
Benefits paid	**(152,000)**	(169,000)
Closing defined benefit obligation	**4,527,000**	3,629,000

Notes to the financial statements
For the year ended 31 March 2013

Pension commitments (continued)

Changes in the fair value of scheme assets are as follows

	2013	2012
	£	£
Opening fair value of scheme assets	**5,084,000**	4,395,000
Expected return on assets	**206,000**	230,000
Actuarial gains	**23,000**	209,000
Contributions by employer	**150,000**	419,000
Benefits paid	**(152,000)**	(169,000)
Closing fair value of plan assets at 31 March	**5,311,000**	5,084,000

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £(2,220) (2012 - £(637,700))

The group expects to contribute £150,000 to its defined benefit pension scheme in 2013

The major categories of scheme asset, as a percentage of the total plan assets, are as follows

	2013	2012
	%	%
Equities and property	**35 00**	46 00
Bonds	**31.00**	52 00
Cash	**5.00**	2 00
Insured pensioners	**29.00**	-

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2013	2012
	%	%
Discount rate at 31 March	**4 40**	5 20
Expected return on scheme assets at 31 March	**4.30**	4 10
Future pension increases	**3.00**	3 00
Inflation assumption	**3.40**	3 20
Consumer price inflation	**2.70**	2 50

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2013 and 31 March 2012 are based on the S1PMA and S1PFA YOB table with a current year of use Under this table the future life expectancies are 22 2 years for a male at age 65 and 24 4 years for a female at age 65 at this time

Notes to the financial statements

For the year ended 31 March 2013

Pension commitments (continued)

Amounts for the current and previous four periods are as follows

Defined benefit pension schemes

	2013	2012	2010	2009	2008
	£	£	£	£	£
Defined benefit obligations	**(4,527,000)**	(3,629,000)	(3,668,000)	(3,895,000)	(2,469,000)
Scheme assets	**5,311,000)**	5,084,000	4,395,000	3,978,000	2,864,000
Surplus/(deficit)	**784,000**	1,455,000	727,000	83,000	395,000
Experience adjustments on scheme liabilities	**(150,000)**	(107,000)	337,000	9,000	80,000
Experience adjustments on scheme assets	**23,000**	209,000	(66,000)	704,000	(671,000)

The Barton Petroleum Limited Retirement Benefits Scheme was closed to future accrual of benefits from 30 June 2011

29 Operating lease commitments

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as follows

Group	**Land and buildings**	
	2013	2012
	£	£
Expiry date·		
After more than 5 years	**46,480**	46,480

30 Capital commitments

At 31 March 2013 the company had capital commitments as follows

	2013	2012
	£	£
Contracted for but not provided in these financial statements	**373,000**	114,000

31 Ultimate controlling related party

The directors are considered the controlling and ultimate controlling related party by virtue of their shareholding