

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014
FOR
HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
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Oswestry
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HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

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FOR THE YEAR ENDED 30 JUNE 2014

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HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2014

DIRECTORS:

M E E Hawkins
A A Nixon

SECRETARY:

Mrs J H Hawkins

REGISTERED OFFICE:

Charleston House
Cruckmoor Lane
Prees Green
Whitchurch
Shropshire
SY13 2BS

REGISTERED NUMBER:

07966612 (England and Wales)

AUDITORS:

D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The directors present their strategic report of the company and the group for the year ended 30 June 2014.

REVIEW OF BUSINESS

The results for the year to 30 June 14 are as shown in the annexed financial statements.

The directors monitor the company's performance using key performance indicators, the main indicators being sales growth, gross margin, operating profit margins and cash generation.

Sales revenues have grown by 30% compared to 2013. This is a result of better machine utilisation along with increase in the hire fleet size. This has provided better margins and in conjunction with tighter control on overheads has led to improved profits before tax.

Cash resources have reduced in the year as a consequence of increased trading activity and increases in working capital commitments from growth. Settlement of corporate taxes and investment in the hire fleet and infrastructure of the business have further reduced free cash.

During the year the directors have continued to focus on ensuring the company provides the best service possible to its customers. This has included a continued strategic investment in the hire fleet to ensure a modern fleet capable of meeting our customers requirements.

The importance of quality control, health and safety and environmental matters is also recognised and the accreditations of ISO9001, 14001 and 18001 have been maintained in the period under review.

There were no acquisitions of businesses in the year and none of the group's activities were discontinued.

ON BEHALF OF THE BOARD:



.....
A A Nixon - Director

Date: 27th March 2015

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 30 JUNE 2014**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2014.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2014 will be £179,900.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2013 to the date of this report.

M E E Hawkins

A A Nixon

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;
- state whether applicable 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 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.

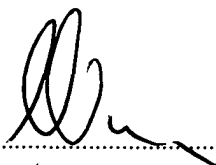
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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, D.R.E. & Co. (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
A A Nixon - Director

Date: 27th March 2015

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**

We have audited the financial statements of Hawk Plant (UK) Limited and Subsidiaries for the year ended 30 June 2014 on pages five to twenty three. 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 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 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. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 30 June 2014 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.

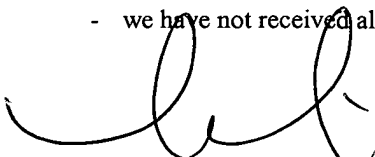
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and 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.



Francis Nock FCCA (Senior Statutory Auditor)
for and on behalf of D.R.E. & Co. (Audit) Limited
Chartered Accountants & Statutory Auditors
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: 27/3/2015

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 30 JUNE 2014

		Year Ended	Period
		30.6.14	27.2.12
		£	to
	Notes		30.6.13
			£
TURNOVER	2	40,789,748	55,397,795
Cost of sales		<u>(32,981,531)</u>	<u>(48,940,978)</u>
GROSS PROFIT		7,808,217	6,456,817
Administrative expenses		<u>(5,104,632)</u>	<u>(4,057,271)</u>
OPERATING PROFIT	4	2,703,585	2,399,546
Interest payable and similar charges	5	<u>(847,541)</u>	<u>(755,465)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,856,044	1,644,081
Tax on profit on ordinary activities	6	<u>(537,242)</u>	<u>(355,510)</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>1,318,802</u>	<u>1,288,571</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES


The group has no recognised gains or losses other than the profits for the current year or previous period.

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET**30 JUNE 2014**

	Notes	30.6.14 £	30.6.13 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	16,401,548	11,649,049
Investments	11	-	-
		<u>16,401,548</u>	<u>11,649,049</u>
CURRENT ASSETS			
Stocks	12	850,730	39,709
Debtors	13	11,604,998	17,690,207
Cash at bank and in hand		<u>50,603</u>	<u>2,494,992</u>
		12,506,331	20,224,908
CREDITORS			
Amounts falling due within one year	14	<u>13,430,472</u>	<u>19,775,763</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(924,141)</u>	<u>449,145</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		15,477,407	12,098,194
CREDITORS			
Amounts falling due after more than one year	15	(8,505,134)	(6,127,705)
PROVISIONS FOR LIABILITIES	19	<u>(543,246)</u>	<u>(680,364)</u>
NET ASSETS		<u>6,429,027</u>	<u>5,290,125</u>
CAPITAL AND RESERVES			
Called up share capital	20	494	494
Consolidated share premium	21	269,950	269,950
Profit and loss account	21	<u>6,158,583</u>	<u>5,019,681</u>
SHAREHOLDERS' FUNDS	28	<u>6,429,027</u>	<u>5,290,125</u>

The financial statements were approved by the Board of Directors on 27 MARCH 2015 and were signed on its behalf by:


A A Nixon - Director

COMPANY BALANCE SHEET

30 JUNE 2014

	Notes	30.6.14 £	£	30.6.13 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		-		-
Investments	11		<u>493</u>		<u>493</u>
			493		493
CURRENT ASSETS					
Debtors	13	505,000		300,000	
Cash in hand		<u>1</u>		<u>1</u>	
		505,001		300,001	
CREDITORS					
Amounts falling due within one year	14	<u>426,700</u>		<u>246,800</u>	
NET CURRENT ASSETS			<u>78,301</u>		<u>53,201</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>78,794</u>		<u>53,694</u>
CAPITAL AND RESERVES					
Called up share capital	20		494		494
Profit and loss account	21		<u>78,300</u>		<u>53,200</u>
SHAREHOLDERS' FUNDS	28		<u>78,794</u>		<u>53,694</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 27 March 2015 and were signed on its behalf by:



A A Nixon - Director

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**CONSOLIDATED CASH FLOW STATEMENT**
FOR THE YEAR ENDED 30 JUNE 2014

		Year Ended 30.6.14		Period 27.2.12 to 30.6.13	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		993,605		7,036,845
Returns on investments and servicing of finance	2		(847,541)		(755,465)
Taxation			(868,872)		(402,149)
Capital expenditure	2		(65,159)		(113,220)
Equity dividends paid			(179,900)		(246,800)
			(967,867)		5,519,211
Financing	2		(2,054,388)		(3,041,996)
(Decrease)/increase in cash in the period			(3,022,255)		2,477,215
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period			(3,022,255)	2,477,215	
Cash inflow from increase in debt and lease financing			(4,894,110)	(7,142,746)	
Change in net debt resulting from cash flows			(7,916,365)		(4,665,531)
Movement in net debt in the period			(7,916,365)		(4,665,531)
Net debt at 1 July			(4,665,531)		-
Net debt at 30 June			(12,581,896)		(4,665,531)

The notes form part of these financial statements

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**
FOR THE YEAR ENDED 30 JUNE 2014**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Operating profit	2,703,585	2,399,546
Depreciation charges	2,324,346	1,564,132
(Profit)/loss on disposal of fixed assets	(63,188)	7,829
Increase in stocks	(811,021)	(6,655)
Decrease/(increase) in debtors	6,085,209	(3,190,088)
(Decrease)/increase in creditors	<u>(9,245,326)</u>	<u>6,262,081</u>
Net cash inflow from operating activities	<u>993,605</u>	<u>7,036,845</u>

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

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Returns on investments and servicing of finance		
Interest paid	(16,450)	(6,894)
Interest element of hire purchase and finance lease rental payments	<u>(831,091)</u>	<u>(748,571)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(847,541)</u>	<u>(755,465)</u>
Capital expenditure		
Purchase of tangible fixed assets	(1,234,176)	(3,163,216)
Sale of tangible fixed assets	<u>1,169,017</u>	<u>3,049,996</u>
Net cash outflow for capital expenditure	<u>(65,159)</u>	<u>(113,220)</u>
Financing		
New hire purchase in year	(6,948,498)	(3,964,860)
Capital repayments in year	<u>4,894,110</u>	<u>922,864</u>
Net cash outflow from financing	<u>(2,054,388)</u>	<u>(3,041,996)</u>

The notes form part of these financial statements

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**
FOR THE YEAR ENDED 30 JUNE 2014**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.7.13 £	Cash flow £	At 30.6.14 £
Net cash:			
Cash at bank and in hand	2,494,992	(2,444,389)	50,603
Bank overdraft	-	(577,866)	(577,866)
	<u>2,494,992</u>	<u>(3,022,255)</u>	<u>(527,263)</u>
Debt:			
Hire purchase and finance leases	<u>(7,160,523)</u>	<u>(4,894,110)</u>	<u>(12,054,633)</u>
	<u>(7,160,523)</u>	<u>(4,894,110)</u>	<u>(12,054,633)</u>
Total	<u>(4,665,531)</u>	<u>(7,916,365)</u>	<u>(12,581,896)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The consolidated financial statements present the results of the parent company and those of its subsidiaries. All consolidated subsidiaries have coterminous financial year ends. Inter group transactions have been eliminated from the financial statements and subsidiary results have been restated, where possible to reflect comparable accounting policies.

The previous financial year's financial statements consolidated the results of the financial statements of the company and the two subsidiaries for the financial period from 1 July 2012 to the balance sheet date. Although the group was formed on 31 March 2012 it was considered that it did not trade as a group until 1 July 2012 and so any trading activity for the period 1 April 2012 to 30 June 2012 had not been included as they would render the financial statements misleading.

The accounts have been prepared using the Merger Accounting method.

At the balance sheet date the group had net current liabilities of £924,141 (2013: Net current assets). As shown in note 14 on page 18 of the full financial statements £3,715,849 (2013: £1,232,818) relates to hire purchase liabilities and finance leases used to finance the plant hire fleet shown in the balance sheet under tangible fixed assets.

Other working capital requirements are funded via an ongoing working capital facility.

In addition to the above the directors have considered post year end trading and believe that the going concern basis of preparation is appropriate.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover

Turnover represents net invoiced hire of plant, excluding value added tax.

Turnover includes the proceeds of sales of hire fleet assets. The net book value of these assets is disclosed within cost of sales.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being amortised evenly over its estimated useful life of ten years.

No goodwill has arisen on the formation of the group as the Merger Accounting method has been adopted for the preparation of the group accounts and the subsidiaries were introduced to the group through a share for share exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2014**1. ACCOUNTING POLICIES - continued****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.

Improvements to property	- Varying rates between 2 and 20 % on cost
Plant and machinery	- 33% on cost, varying rates between 5 and 12% on cost and at varying rates on cost
Motor vehicles	- 20% on cost and varying rates between 25 and 50% on cost
Computer equipment	- 33.3% on cost and at varying rates on cost

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

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

Foreign currencies

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.

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.

2. TURNOVER

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

An analysis of turnover by geographical market is given below:

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
United Kingdom	32,676,151	19,013,371
Europe	-	152,000
Rest of world	8,113,597	36,232,424
	<u>40,789,748</u>	<u>55,397,795</u>

Included in the above turnover figure is £1,188,987 (2013: £3,306,700) in relation to asset sales. The loss recognised on these sales is £108,274 (2013: £632,905).

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**3. STAFF COSTS**

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Wages and salaries	6,312,825	8,654,248
Social security costs	585,536	209,770
Other pension costs	<u>93,527</u>	<u>26,193</u>
	<u>6,991,888</u>	<u>8,890,211</u>

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

	Year Ended 30.6.14	Period 27.2.12 to 30.6.13
Operators	290	249
Administration & management	<u>50</u>	<u>24</u>
	<u>340</u>	<u>273</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Hire of plant and machinery	5,193,653	5,848,351
Lease of plant & machinery	5,264,505	5,985,706
Depreciation - owned assets	681,780	344,451
Depreciation - assets on hire purchase contracts and finance leases	1,642,566	1,200,931
Goodwill amortisation	-	18,750
Auditors remuneration - audit services	29,702	37,836
Auditors remuneration - non audit services	764	7,101
(Profit)/loss on disposal of fixed assets	<u>(63,188)</u>	<u>7,829</u>
Directors' remuneration	<u>-</u>	<u>-</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Bank interest	856	3,141
Other interest	15,594	3,753
Hire purchase	<u>831,091</u>	<u>748,571</u>
	<u>847,541</u>	<u>755,465</u>

6. TAXATION**Analysis of the tax charge**

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

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Current tax:		
UK corporation tax	513,691	479,783
Adjustment for previous years	<u>160,669</u>	<u>-</u>
Total current tax	674,360	479,783
Deferred tax	<u>(137,118)</u>	<u>(124,273)</u>
Tax on profit on ordinary activities	<u>537,242</u>	<u>355,510</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**6. 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:

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Profit on ordinary activities before tax	<u>1,856,044</u>	<u>1,644,081</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2013 - 23%)	389,769	378,139
Effects of:		
Expenses not deductible for tax purposes	14,719	28,055
Depreciation in excess of capital allowances	75,173	19,411
Adjustments to tax charge in respect of previous periods	160,669	-
Capital gains	9,084	38,782
Tax rate difference	34,275	15,163
Short term timing difference	-	233
Distinction of revenue expenses	<u>(9,329)</u>	<u>-</u>
Current tax charge	<u>674,360</u>	<u>479,783</u>

7. PROFIT 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 profit for the financial year was £205,000 (2013 - £300,000).

8. DIVIDENDS

	Year Ended 30.6.14 £	Period 27.2.12 to 30.6.13 £
Ordinary shares of £1 each		
Interim	<u>179,900</u>	<u>246,800</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**9. INTANGIBLE FIXED ASSETS****Group****Goodwill
£****COST**At 1 July 2013
and 30 June 2014**250,000****AMORTISATION**At 1 July 2013
and 30 June 2014**250,000****NET BOOK VALUE**

At 30 June 2014

-

At 30 June 2013

-**10. TANGIBLE FIXED ASSETS****Group**

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2013	430,996	15,012,184	463,252	891	15,907,323
Additions	103,629	7,889,948	199,097	-	8,192,674
Disposals	-	(1,617,567)	(386,883)	-	(2,004,450)
At 30 June 2014	<u>534,625</u>	<u>21,284,565</u>	<u>275,466</u>	<u>891</u>	<u>22,095,547</u>
DEPRECIATION					
At 1 July 2013	37,167	4,124,330	96,553	224	4,258,274
Charge for year	21,301	2,193,742	109,276	27	2,324,346
Eliminated on disposal	-	(796,765)	(91,856)	-	(888,621)
At 30 June 2014	<u>58,468</u>	<u>5,521,307</u>	<u>113,973</u>	<u>251</u>	<u>5,693,999</u>
NET BOOK VALUE					
At 30 June 2014	<u><u>476,157</u></u>	<u><u>15,763,258</u></u>	<u><u>161,493</u></u>	<u><u>640</u></u>	<u><u>16,401,548</u></u>
At 30 June 2013	<u><u>393,829</u></u>	<u><u>10,887,854</u></u>	<u><u>366,699</u></u>	<u><u>667</u></u>	<u><u>11,649,049</u></u>

Included within the above group totals is £13,810,227 in respect of assets held under hire purchase contracts and finance leases.

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2014

11. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2013	
and 30 June 2014	<u>493</u>
NET BOOK VALUE	
At 30 June 2014	<u>493</u>
At 30 June 2013	<u>493</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Hawk Plant Ltd

Nature of business: Plant hire

	% holding	30.6.14 £	30.6.13 £
Class of shares:			
Ordinary	100.00		
A ordinary	100.00		
Aggregate capital and reserves		<u>2,681,254</u>	<u>2,174,978</u>
Profit for the year/period		<u>711,276</u>	<u>709,511</u>

Hawk Plant Hire Ltd

Nature of business: Plant hire

	% holding	30.6.14 £	30.6.13 £
Class of shares:			
A ordinary shares	100.00		
B ordinary shares	100.00		
Aggregate capital and reserves		<u>3,662,929</u>	<u>3,061,902</u>
Profit for the year/period		<u>601,027</u>	<u>579,059</u>

12. STOCKS

	Group 30.6.14 £	30.6.13 £
Parts	<u>842,239</u>	<u>39,709</u>
Consumables	<u>8,491</u>	<u>-</u>
	<u>850,730</u>	<u>39,709</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2014****13. DEBTORS**

	Group		Company	
	30.6.14	30.6.13	30.6.14	30.6.13
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	9,593,440	16,221,690	-	-
Amounts owed by group undertakings	-	-	505,000	300,000
Other debtors	99,573	-	-	-
Amounts due from related undertaking	1,275,496	-	-	-
VAT	20,617	1,347,476	-	-
Prepayments	248,794	121,041	-	-
	<u>11,237,920</u>	<u>17,690,207</u>	<u>505,000</u>	<u>300,000</u>
Amounts falling due after more than one year:				
Trade debtors	<u>367,078</u>	-	-	-
Aggregate amounts	<u>11,604,998</u>	<u>17,690,207</u>	<u>505,000</u>	<u>300,000</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.14	30.6.13	30.6.14	30.6.13
	£	£	£	£
Bank loans and overdrafts (see note 16)	577,866	-	-	-
Hire purchase contracts and finance leases (see note 17)	3,715,849	1,232,818	-	-
Trade creditors	3,458,399	12,856,480	-	-
Tax	888,382	1,082,894	-	-
Social security and other taxes	268,580	242,369	-	-
Other creditors	2,115,877	1,037,221	-	-
Amounts due to related undertakings	-	1,056,444	426,700	246,800
Accruals and deferred income	2,405,519	2,267,537	-	-
	<u>13,430,472</u>	<u>19,775,763</u>	<u>426,700</u>	<u>246,800</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	30.6.14	30.6.13
	£	£
Hire purchase contracts and finance leases (see note 17)	8,338,784	5,927,705
Other creditors	<u>166,350</u>	<u>200,000</u>
	<u>8,505,134</u>	<u>6,127,705</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**16. LOANS**

An analysis of the maturity of loans is given below:

	Group	
	30.6.14	30.6.13
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>577,866</u>	<u>-</u>

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**Group**

	Hire purchase contracts		Finance leases	
	30.6.14	30.6.13	30.6.14	30.6.13
	£	£	£	£
Net obligations repayable:				
Within one year	1,456,774	595,670	2,259,075	637,148
Between one and five years	<u>2,846,950</u>	<u>3,329,860</u>	<u>5,491,834</u>	<u>2,597,845</u>
	<u>4,303,724</u>	<u>3,925,530</u>	<u>7,750,909</u>	<u>3,234,993</u>

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

Group

	Land and buildings		Other operating leases	
	30.6.14	30.6.13	30.6.14	30.6.13
	£	£	£	£
Expiring:				
Within one year	-	-	1,190,644	645,095
Between one and five years	-	-	1,078,439	2,207,175
In more than five years	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,500</u>	<u>-</u>	<u>2,269,083</u>	<u>2,852,270</u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 30 JUNE 2014**18. SECURED DEBTS**

The following secured debts are included within creditors:

	Group
	30.6.14 30.6.13
	£ £
Bank overdraft	577,866 -
Hire purchase contracts and finance leases	12,054,633 7,160,523
Other creditors	<u>1,607,940</u> <u>569,454</u>
	<u><u>14,240,439</u></u> <u><u>7,729,977</u></u>

Hire purchase assets are secured on the asset to which they relate to.

Other creditors includes a working capital facility which is secured by a fixed charge and floating charge dated 26 March 2014 over all assets of the company.

The bank overdraft is secured by:-

- an unlimited composite cross guarantee between Hawk Plant Hire Ltd and Hawk Developments (UK) Ltd, a related company.
- an all monies debenture granted by Hawk Plant Hire Ltd over the whole assets of the company.
- an all monies debenture granted by Hawk Plant Ltd over the whole assets of the company.

19. PROVISIONS FOR LIABILITIES

	30.06.14	30.06.13
	£	£
Deferred tax - accelerated capital allowances	<u><u>543,246</u></u>	<u><u>680,364</u></u>

	Deferred Tax £
Balance at 1 July 2013	680,364
Rate movement - credited to the profit and loss account	(71,579)
Movement in accelerated allowances - credited to the profit and loss account	<u><u>(65,539)</u></u>
	<u><u>543,246</u></u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.14	30.6.13
			£	£
423	Ordinary	£1	<u>423</u>	423
59	A Ordinary	£1	<u>59</u>	59
12	B Ordinary	£1	<u>12</u>	<u>12</u>
			<u><u>494</u></u>	<u><u>494</u></u>

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2014

21. RESERVES

Group

	Profit and loss account £	Consolidated share premium £	Totals £
At 1 July 2013	5,019,681	269,950	5,289,631
Profit for the year	1,318,802		1,318,802
Dividends	<u>(179,900)</u>		<u>(179,900)</u>
At 30 June 2014	<u>6,158,583</u>	<u>269,950</u>	<u>6,428,533</u>

Company

	Profit and loss account £
At 1 July 2013	53,200
Profit for the year	205,000
Dividends	<u>(179,900)</u>
At 30 June 2014	<u>78,300</u>

22. CONTINGENT LIABILITIES

Hawk Plant Ltd has an unlimited composite cross guarantee with Hawk Developments (UK) Ltd on bank borrowings. Borrowings by Hawk Developments (UK) Ltd at the balance sheet date amounted to £247,938 (2013: £234,745).

23. CAPITAL COMMITMENTS

	30.6.14 £	30.6.13 £
Contracted but not provided for in the financial statements	<u>130,000</u>	<u>-</u>

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

MEE Hawkins has given a personal guarantee as security against default payment of operating lease commitments with a number of finance providers.

25. RELATED PARTY DISCLOSURES

During the year, total dividends of £154,900 (2013 - £75,000) were paid to the directors.

HAWK PLANT (UK) LIMITED AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2014

25. RELATED PARTY DISCLOSURES - continued

During the year, total dividend waivers of £50,000 (2013: £nil) were made by the directors.

The following companies are related due to MEE Hawkins, a director, having a material interest as a beneficial shareholder - Hawkins Garages (Wem) Ltd, Hawk Hire Ltd, Hawk Plant Sales Ltd, Hawk Developments (UK) Ltd, Hawkins (UK) Ltd, Safety and Training Ltd, Hawk Homes Ltd and 365 Resources & Recruitment Ltd. During the period the group made sales including asset sales and incurred costs including asset purchases of £2,018,568 and £8,674,507 respectively (2013: £2,873,327 and £12,652,261). At the year end the net amount owed to these companies was £1,275,495 (2013: £1,056,444).

26. POST BALANCE SHEET EVENTS

In September 2014 Hawk Plant (UK) Limited acquired the whole share capital of Enverity Limited for £10,000.

In December 2014 Hawk Plant (UK) Limited acquired the whole share capital of Safety and Training Limited and Hawk Site Facilities Limited. The purchase price paid to acquire the shares amounted to the sum of £240,604.

In December 2014 Hawk Plant (UK) Limited acquired the whole share capital of Hawk Hire Limited in exchange for the issue of its own shares.

27. ULTIMATE CONTROLLING PARTY

The group is controlled by the director M E E Hawkins by virtue of his controlling shareholding.

28. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	30.6.14	30.6.13
	£	£
Profit for the financial year	1,318,802	1,288,571
Dividends	(179,900)	(246,800)
	1,138,902	1,041,771
Group restructure adjustment relating to opening position	-	4,248,354
Net addition to shareholders' funds	1,138,902	5,290,125
Opening shareholders' funds	5,290,125	-
Closing shareholders' funds	6,429,027	5,290,125
 Company	 30.6.14	 30.6.13
	£	£
Profit for the financial year	205,000	300,000
Dividends	(179,900)	(246,800)
New share capital subscribed	-	494
Net addition to shareholders' funds	25,100	53,694
Opening shareholders' funds	53,694	-
Closing shareholders' funds	78,794	53,694