

Financial Statements Eurocontinental Logistics Limited

For the year ended 31 January 2011

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COMPANIES HOUSE

Company No. 1467806

Company information

Company registration number	1467806
Registered office	Mainland House Gladstone Close NORTHAMPTON NN5 7AY
Directors	M J Bacon S Meagher J M Kemp
Secretary	J M Kemp
Bankers	National Westminster Bank plc 41 The Drapery NORTHAMPTON NN1 2EU
Solicitors	John Codling Grubbins Grubbins Lane Speen PRINCES RISBOROUGH HP27 0SE
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Grant Thornton House Kettering Parkway Kettering Venture Park KETTERING Northants NN15 6XR

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 January 2011

Principal activity and business review

The company is principally engaged in freight transporting

There was a profit for the year after taxation amounting to £134,188. Particulars of dividends paid are detailed in note 5 to the financial statements

The directors were satisfied with the result for the year

Directors

The directors who served the company during the year were as follows

M J Bacon
S Meagher
J M Kemp

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 of the profit or loss of the company for that period. In preparing those 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.

Statement of directors' responsibilities (continued)

In so far as each of the directors are aware

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

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

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



J M Kemp
Secretary
30 March 2011



Independent auditor's report to the members of Eurocontinental Logistics Limited (registered number 1467806)

We have audited the financial statements of Eurocontinental Logistics Limited for the year ended 31 January 2011 which comprise the principal accounting policies, profit and loss account, balance sheet 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 Directors' Responsibilities Statement set out on pages 3 and 4, 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 company's affairs as at 31 January 2011 and of its 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



Independent auditor's report to the members of
Eurocontinental Logistics Limited
(registered number 1467806)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report 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 company, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

A handwritten signature in black ink, appearing to read "Gee" followed by a stylized flourish and "ua up".

Steve Robinson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Kettering
30 March 2011

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

Turnover

Turnover is the revenue arising from the sale of services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts

Revenue from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration

Fixed assets

All fixed assets are initially recorded at cost

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures and fittings	25% straight line
Computer equipment	35% straight line

Operating leases

Leases where substantially all of the risks and rewards of ownership are not transferred to the company are treated as operating leases. Rentals under operating leases are charged against profits on a straight line basis over the period of the lease

Pension costs

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

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transactions. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

The group uses derivative financial instruments, primarily to manage exposures to fluctuations in interest rates. Interest differentials, under which the amounts and periods for which interest rates on borrowings are varied, are reflected as adjustments to interest payable.

Profit and loss account

	Note	2011 £	2010 £
Turnover	1	1,602,412	1,387,287
Cost of sales		<u>993,742</u>	<u>916,037</u>
Gross profit		608,670	471,250
Other operating charges	2	<u>436,034</u>	<u>431,057</u>
Operating profit	3	<u>172,636</u>	<u>40,193</u>
Interest payable and similar charges		<u>10</u>	<u>-</u>
Profit on ordinary activities before taxation		<u>172,626</u>	<u>40,193</u>
Tax on profit on ordinary activities	4	<u>38,438</u>	<u>10,269</u>
Profit for the financial year	12	<u><u>134,188</u></u>	<u><u>29,924</u></u>

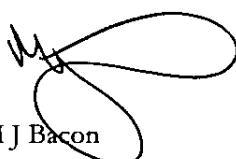
The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	6	-	-
Current assets			
Debtors	7	511,145	266,042
Cash at bank		24,206	119,964
		<u>535,351</u>	<u>386,006</u>
Creditors: amounts falling due within one year	8	<u>394,218</u>	<u>279,061</u>
Net current assets		<u>141,133</u>	<u>106,945</u>
Total assets less current liabilities		<u>141,133</u>	<u>106,945</u>
Capital and reserves			
Called-up equity share capital	10	100	100
Profit and loss account	11	141,033	106,845
Shareholders' funds	12	<u>141,133</u>	<u>106,945</u>

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

These financial statements were approved by the board of directors and authorised for issue on 30 March 2011 and are signed on their behalf by


M J Bacon
Director

Company registration number 1467806

Notes to the financial statements

1 Turnover

The percentage of turnover attributable to Europe was 14.0% (2010 - 8.5%)

2 Other operating charges

	2011 £	2010 £
Administrative expenses	<u>436,034</u>	<u>431,057</u>

3 Operating profit

Operating profit is stated after charging

	2011 £	2010 £
Directors' emoluments	-	-
Staff pension contributions	1,658	1,712
Depreciation of owned fixed assets	-	158
Auditor's remuneration		
Statutory audit	3,500	3,000
Taxation fees	900	850
Net loss / (gain) on foreign currency translation	<u>10,755</u>	<u>(12,580)</u>

4 Taxation on ordinary activities

The tax charge represents

	2011 £	2010 £
UK Corporation tax based on the results for the year at 22.153% (2010 -21%)	38,424	10,269
Under provision in respect of previous periods	<u>14</u>	<u>-</u>
Total current tax	<u>38,438</u>	<u>10,269</u>

Taxation on ordinary activities (continued)

Factors affecting current tax charge

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>172,626</u>	<u>40,193</u>
Profit on ordinary activities multiplied by the standard rate of tax	38,242	8,441
Expenses not deductible for tax purposes	532	2,123
Capital allowances for period in excess of depreciation	(350)	(295)
Adjustments to tax charge in respect of previous periods	<u>14</u>	<u>-</u>
Current tax charge for the year	<u>38,438</u>	<u>10,269</u>

5 Dividends

	2011 £	2010 £
Paid - ordinary shares totalling £1,000 per share (2010 - £nil)	<u>100,000</u>	<u>-</u>

6 Tangible fixed assets

	Fixtures & Fittings £	Equipment £	Total £
Cost			
At 1 February 2010	580	23,812	24,392
On disposals	(580)	(3,733)	(4,313)
At 31 January 2011	<u>-</u>	<u>20,079</u>	<u>20,079</u>
Depreciation			
At 1 February 2010	580	23,812	24,392
On disposals	(580)	(3,733)	(4,313)
At 31 January 2011	<u>-</u>	<u>20,079</u>	<u>20,079</u>
Net book value			
At 31 January 2011	<u>-</u>	<u>-</u>	<u>-</u>
At 31 January 2010	<u>-</u>	<u>-</u>	<u>-</u>

7 Debtors

	2011 £	2010 £
Trade debtors	226,634	177,780
Amounts owed by group undertakings	264,788	74,669
Other debtors	19,723	13,593
	<u>511,145</u>	<u>266,042</u>

8 Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	90,298	87,902
Amounts owed to group undertakings	41,745	45,636
Corporation tax	38,424	10,269
Other taxation	130,384	72,631
Other creditors	93,367	62,623
	<u>394,218</u>	<u>279,061</u>

9 Pensions

The company operates a defined contribution pension scheme for the benefit of certain employees and directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

10 Share capital

Authorised share capital

	2011 £	2010 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted and called up

	2011		2010	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11 Profit and loss account

	2011 £	2010 £
Balance brought forward	106,845	76,921
Profit for the financial year	134,188	29,924
Dividends	(100,000)	-
Balance carried forward	<u>141,033</u>	<u>106,845</u>

12 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	134,188	29,924
Dividends	(100,000)	-
Opening shareholders' funds	<u>106,945</u>	<u>77,021</u>
Closing shareholders' funds	<u>141,133</u>	<u>106,945</u>

13 Capital commitments

The directors have confirmed that there were no capital commitments at 31 January 2011 or 31 January 2010

14 Contingent liabilities

The company has given indemnities to H M Revenue and Customs of £240,000 (2010 - £240,000)

The company has given guarantees in respect of the borrowings of Mainland Group Limited amounting to £1,822,780 (2010 - £2,239,407) in favour of National Westminster Bank plc

15 Leasing commitments

Operating lease payments amounting to £ 27,000 (2010 - £27,000) are due within one year. The leases to which these amounts relate expire as follows

	2011	2010
	Land and buildings	Land and buildings
	£	£
Between one and five years	<u>27,000</u>	<u>27,000</u>

16 Related party transactions

As a wholly owned subsidiary of Mainland Group Limited, the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Mainland Group Limited

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Mainland Express Limited

17 Ultimate parent company

The controlling related party is Mainland Group Limited, by virtue of its 100% shareholding in the company. The ultimate parent undertaking is Mainland Express Limited, by virtue of its 100% shareholding in Mainland Group Limited