LAMBERT BROTHERS HOLDINGS LIMITED

Company Registration No 2195321 (England and Wales)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2012

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COMPANIES HOUSE

LAMBERT BROTHERS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr R M Lambert Mr H J Baker Mr C G Watkins Mr R C Trotter
Company number	2195321
Registered office	Woodside Avenue Eastleigh Hampshire SO50 4ZR
Auditors	Knight Goodhead Limited 7 Bournemouth Road Chandler's Ford Eastleigh Hampshire SO53 3DA
Business address	Woodside Avenue Eastleigh Hampshire SO50 4ZR
Bankers	National Westminster Bank Plc 12 High Street Southampton Hampshire SO14 2BF

LAMBERT BROTHERS HOLDINGS LIMITED

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LAMBERT BROTHERS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2012

The directors present their report and financial statements for the year ended 31 May 2012

Principal activities and review of the business
The principal activity of the company and its subsidiary undertakings continued to be the provision of transport, distribution and warehousing services

At the year end the company had shareholders funds of £3,972,409 including distributable reserves of £2,274,488 The directors therefore believe the company's position to be satisfactory

The directors have assessed the main risks to the company and its subsidiary undertakings as being the increasing price of fuel, and pressure on prices from customers due to the continuing effects of the economic downturn The directors believe that these risks are mitigated by the inclusion of fuel surcharges in customers' rates, by the wide range of industries and businesses represented in the customer base and by the continued efforts to attract new business and reduce costs

Financial risk management objectives and policies
The company is exposed to a minimal level of price risk, credit risk, liquidity risk and cash flow risk The company manages these risks by financing its operations through retained profits to fund capital expenditure programs in the most efficient manner

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the company's trading activities

The company makes little use of financial instruments other than an operational bank account so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and performance of the company

Results and dividends
The results for the year are set out on page 5

The profit for the year, after taxation, amounted to £188,369 The directors do not recommend the payment of a final dividend Details of dividends paid during the year are shown in note 7 to the accounts

Market value of land and buildings
One of the freehold properties held by the company is classified as an investment property in accordance with SSAP 19 In the opinion of the directors, there has not been any material change from the prior period to the open market value of this property As a result a valuation of £700,000 is considered appropriate

Directors
The following directors have held office during the year

Mr R M Lambert
Mr H J Baker
Mr C G Watkins
Mr R C Trotter

Auditors
In accordance with the company's articles, a resolution proposing that Knight Goodhead Limited be reappointed as auditors of the company will be put at a General Meeting

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 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 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 disclosure to auditors
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



Mr R M Lambert
Director
26th October 2012

LAMBERT BROTHERS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAMBERT BROTHERS HOLDINGS LIMITED

We have audited the financial statements of Lambert Brothers Holdings Limited for the year ended 31 May 2012 set out on pages 5 to 18 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 auditors' 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 auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 Directors' Report to identify material inconsistencies with the audited financial statements 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 company's affairs as at 31 May 2012 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

Opinion on other matter 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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF LAMBERT BROTHERS HOLDINGS LIMITED

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 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
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

Mr C Goodhead FCA
(Senior Statutory Auditor)

16 November 2012

for and on behalf of
KNIGHT GOODHEAD LIMITED

Statutory Auditor and
Chartered Accountants

7 Bournemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

LAMBERT BROTHERS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2012

	Notes	2012 £	2011 £
Turnover		560,326	579,653
Cost of sales		(540,397)	(555,782)
Gross profit		19,929	23,871
Administrative expenses		(180,884)	(178,945)
Other operating income	2	293,986	281,784
Operating profit	3	133,031	126,710
Income from participating interests		67,967	56,965
Other interest receivable		29,654	40,241
Profit on ordinary activities before taxation		230,652	223,916
Tax on profit on ordinary activities	6	(42,283)	(42,472)
Profit for the year	15	188,369	181,444

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

LAMBERT BROTHERS HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 MAY 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	8		4,286,975		4,282,043
Investments	9		350,056		350,056
			4,637,031		4,632,099
Current assets					
Debtors	10	56,456		125,629	
Cash at bank and in hand		1,573,086		1,410,435	
		1,629,542		1,536,064	
Creditors: amounts falling due within one year	11	(1,492,564)		(1,369,732)	
Net current assets			136,978		166,332
Total assets less current liabilities			4,774,009		4,798,431
Creditors: amounts falling due after more than one year	12		(750,000)		(750,000)
Provisions for liabilities	13		(51,600)		(49,200)
			3,972,409		3,999,231
Capital and reserves					
Called up share capital	14		1,300,001		1,300,001
Revaluation reserve	15		397,920		397,920
Profit and loss account	15		2,274,488		2,301,310
Shareholders' funds	16		3,972,409		3,999,231

Approved by the Board and authorised for issue on 25th October 2012

Mr R M Lambert
Director

Company Registration No. 2195321

LAMBERT BROTHERS HOLDINGS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2012

	Notes	£	2012 £	£	2011 £
Net cash inflow/(outflow) from operating activities	**19**		389,889		(29,114)
Returns on investments and servicing of finance					
Interest received		29,654		40,241	
Dividends received from participating interests		67,967		56,965	
Net cash inflow for returns on investments and servicing of finance			97,621		97,206
Taxation			(39,883)		(125,622)
Capital expenditure					
Payments to acquire tangible assets		(69,785)		(58,433)	
Receipts from sales of tangible assets		-		3,800	
Net cash outflow for capital expenditure			(69,785)		(54,633)
Equity dividends paid			(215,191)		(211,548)
Net cash inflow/(outflow) before management of liquid resources and financing			162,651		(323,711)
Increase/(decrease) in cash in the year	**20, 21**		162,651		(323,711)

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium sized group The company has therefore taken advantage of the exemption provided by the Companies Act 2006 not to prepare group accounts

1.3 Turnover

Turnover represents the invoiced value of sales excluding value added tax and trade discounts Turnover relates to the provision of general warehousing services and arises entirely in the United Kingdom

Other income includes property rents receivable, net of value added tax and any discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation Freehold land is stated at cost Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Freehold property	Over 100 years
Plant and machinery	10-15% straight line
Motor vehicles	10-20% straight line

Freehold property is included in the accounts at historic cost The directors have decided to provide depreciation on the total cost of the freehold property with no reduction in depreciable amount to reflect either the carrying value of land or the residual value of the property To offset this, depreciation is provided over an extended period of 100 years

1 Accounting policies (Continued)

1.5 Investment properties

Investment properties are shown at their open market value Any surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year

This is in accordance with SSAP 19 which, unlike Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), does not require depreciation of investment properties Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance The departure from the provision of the Companies Act is required in order to give a true and fair view

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes The deferred tax balance has not been discounted

1.8 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 Other operating income	**2012**	**2011**
	£	**£**
Rent receivable	233,986	221,784
Management charges receivable	60,000	60,000
	293,986	281,784

3	Operating profit	2012 £	2011 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	64,853	60,054
	Auditors' remuneration	7,500	7,500
	and after crediting		
	Profit on disposal of tangible assets	-	3,800

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	5,500	5,500
Non-audit taxation services	2,000	2,000
	7,500	7,500

4 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Directors	4	4
Other employees	1	1
	5	5

Employment costs	2012 £	2011 £
Wages and salaries	112,207	104,525
Social security costs	11,110	9,818
	123,317	114,343

5	Directors' remuneration	2012 £	2011 £
	Remuneration for qualifying services	107,407	99,725

6	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	39,900	39,900
	Adjustment for prior years	(17)	(28)
	Total current tax	39,883	39,872
	Deferred tax		
	Movement in deferred tax provision	2,400	2,600
		42,283	42,472
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	230,652	223,916
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25 67% (2011 - 27 67%)	59,201	61,951
	Effects of		
	Non deductible expenses	154	501
	Depreciation for the year in excess of capital allowances	5,978	2,942
	Income not taxable	(17,445)	(15,761)
	Marginal relief	(7,988)	(9,747)
	Adjustments to previous periods	(17)	(28)
	Other tax adjustments	-	14
		(19,318)	(22,079)
	Current tax charge for the year	39,883	39,872

7 Dividends

	2012	2011
	£	£
Ordinary interim paid on ordinary A shares	138,682	138,682
Ordinary interim paid on ordinary C shares	76,509	72,866
	215,191	211,548

8 Tangible fixed assets

	Freehold property	Investment properties	Plant and machinery	Total
	£	£	£	£
Cost or valuation				
At 1 June 2011	4,246,105	700,000	285,830	5,231,935
Additions	51,585	-	18,200	69,785
At 31 May 2012	4,297,690	700,000	304,030	5,301,720
Depreciation				
At 1 June 2011	746,190	-	203,702	949,892
Charge for the year	41,614	-	23,239	64,853
At 31 May 2012	787,804	-	226,941	1,014,745
Net book value				
At 31 May 2012	3,509,886	700,000	77,089	4,286,975
At 31 May 2011	3,499,915	700,000	82,128	4,282,043

The investment property is shown at the directors' valuation The directors consider the valuation is not materially different to open market value at the year end

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 June 2011 & at 31 May 2012	350,056

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class of shares held	% of shares held
Subsidiary undertakings			
Lambert Brothers Haulage Limited	United Kingdom	Ordinary	100
Participating interests			
Lambert Kirk Limited	United Kingdom	Ordinary A	50

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Principal activity	Capital and reserves 2012 £	Profit for the year 2012 £
Lambert Brothers Haulage Limited	Haulage services	4,608,439	537,710
Lambert Kirk Limited	Haulage Services	100	238,227

Lambert Kirk Limited figures are for the year ended 31 March 2012

10 Debtors	2012 £	2011 £
Trade debtors	36,522	44,148
Amounts owed by participating interests	5,000	5,000
Other debtors	13,726	16,147
Prepayments and accrued income	1,208	60,334
	56,456	125,629

Included within debtors are amounts owed from participating interests of £5,000 (2011 £5,000), which fall due after more than one year

11 Creditors: amounts falling due within one year	2012 £	2011 £
Trade creditors	2,771	-
Amounts owed to subsidiary undertakings	597,746	657,330
Corporation tax	39,900	39,900
Other taxes and social security costs	8,575	9,678
Director's loan accounts	764,516	581,086
Accruals and deferred income	79,056	81,738
	1,492,564	1,369,732

The bank holds a cross guarantee over the assets of the company in relation to any monies becoming due by Lambert Brothers Haulage Limited, and vice versa

12 Creditors: amounts falling due after more than one year	2012 £	2011 £
Amounts owed to subsidiary undertakings	750,000	750,000

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 June 2011	49,200
Charge to profit and loss account	2,400
Balance at 31 May 2012	51,600

The deferred tax liability arises from accelerated capital allowances

14 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
975,000 ordinary shares of £1 each	975,000	975,000
57,784 ordinary A shares of £1 each	57,784	57,784
173,227 ordinary B shares of £1 each	173,227	173,227
72,866 ordinary C shares of £1 each	72,866	72,866
21,124 ordinary D shares of £1 each	21,124	21,124
	1,300,001	1,300,001

15 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 June 2011	397,920	2,301,310
Profit for the year	-	188,369
Dividends paid	-	(215,191)
Balance at 31 May 2012	397,920	2,274,488

16 Reconciliation of movements in shareholders' funds	2012 £	2011 £
Profit for the financial year	188,369	181,444
Dividends	(215,191)	(211,548)
Net depletion in shareholders' funds	(26,822)	(30,104)
Opening shareholders' funds	3,999,231	4,029,335
Closing shareholders' funds	3,972,409	3,999,231

17 Control

The ultimate controlling party is R M Lambert, a director of the company, by virtue of his interest in the issued share capital of the company

18 Related party relationships and transactions

The company holds 100% of the issued share capital of Lambert Brothers Haulage Limited

The company owns 50% of Lambert Kirk Limited During the year the company received dividends of £67,967 (2011 £56,965)

The company undertook the following transactions with Lambert Brothers Haulage Limited

	2012 £	2011 £
Rent receivable	52,000	52,000
Purchases	475,000	500,000
Management charges receivable	60,000	60,000

The above transactions were undertaken on a normal commercial basis

At the year end the balances included within creditors due to Lambert Brothers Haulage Limited were £1,347,746 (2011 £1,407,330)

At the year end an amount of £5,000 (2011 £5,000) shown within debtors was due from Lambert Kirk Limited

19 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	2012 £	2011 £
Operating profit	133,031	126,710
Depreciation of tangible assets	64,853	60,054
Profit on disposal of tangible assets	-	(3,800)
Decrease in debtors	69,173	43,759
Increase/(decrease) in creditors	122,832	(255,837)
Net cash inflow/(outflow) from operating activities	389,889	(29,114)

20 Analysis of net funds

	1 June 2011 £	Cash flow £	31 May 2012 £
Net cash			
Cash at bank and in hand	1,410,435	(162,651)	1,573,086
Net funds	1,410,435	(162,651)	1,573,086

21 Reconciliation of net cash flow to movement in net funds

	2012 £	2011 £
Increase/(decrease) in cash in the year	162,651	(323,711)
Movement in net funds in the year	162,651	(323,711)
Opening net funds	1,410,435	984,146
Closing net funds	1,573,086	660,435