

Registered number 4164708

G K R LOGISTICS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2009

WEDNESDAY



AZRENJXH

A11

12/05/2010

247

COMPANIES HOUSE

G K R LOGISTICS LIMITED

COMPANY INFORMATION

DIRECTORS

G Rowswell
L Rowswell
N Rowswell

COMPANY SECRETARY

C Rowswell

COMPANY NUMBER

4164708

REGISTERED OFFICE

47A London Road
Sevenoaks
Kent
TN13 1AR

AUDITORS

FW Stephens
Chartered Accountants and Registered Auditors
Third Floor
24 Chiswell Street
London
EC1Y 4YX

ACCOUNTANTS

Thain Osborne & Co
47A London Road
Sevenoaks
Kent
TN13 1AR

G K R LOGISTICS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Consolidated profit and loss account	5
Statement of total recognised gains and losses	6
Consolidated balance sheet	7
Company balance sheet	8
Consolidated cash flow statement	9
Notes to the financial statements	10 - 22

G K R LOGISTICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2009

The directors present their report and the financial statements for the year ended 31 October 2009

PRINCIPAL ACTIVITIES

The principal activity of the company was that of vehicle and transport suppliers. From 1 November 2009, this activity is being transferred to G K R Scaffolding Limited, the company's fully owned subsidiary.

BUSINESS REVIEW

In the year ended 31 October 2009, sales for the supply of vehicles and transport services to the company's fully owned subsidiary G K R Scaffolding Limited decreased 33% to £328,002. Cost of sales decreased 19% and admin costs reduced, thereby generating a profit before tax of £70,998, a 33% decrease on 2008.

PRINCIPAL RISKS

Commercial Risks

As the parent and major supplier of a business involved in the construction industry, the company's principal risk is the weak activity in the sector during 2010. In addition, the volatility of fuel and transport costs are outside the company's control and can have a negative impact on the company's performance. The company continues to abide by all areas of legislation, which combined with the climate of growing bureaucracy, create added workloads for senior management.

Financial Risks

Maintaining margins whilst containing operating costs are the major risks. All risks are constantly monitored and appropriate action taken where necessary. Selling prices are adjusted where possible to maintain margins and cash flow is monitored daily.

DEVELOPMENT AND PERFORMANCE

Activity in the sector is expected to slowly improve. The present capacity of transport vehicles, being a mix of owned and leased vehicles, is deemed adequate, with no new investment expected in the current year. The owned vehicles have been transferred to G K R Scaffolding Limited from 1 November 2009 and the company will continue supply leased vehicles until existing agreements expire or can be assigned.

KEY PERFORMANCE INDICATORS

Key performance indicators for the company are turnover, gross margins, operating costs and profitability, all of which are regularly reported on and reviewed.

RESULTS

The loss for the year, after taxation, amounted to £13,068 (2008 - profit £1,047,722).

DIRECTORS

The directors who served during the year were

G Rowswell
L Rowswell
N Rowswell

G K R LOGISTICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2009

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the company's subsidiary, G K R Scaffolding Limited made charitable donations totalling £3,285 (2008 £6,550) These were made to various local charity organisations such as Demelza House Children's Hospice of £1,275 and Georgias Teenage Cancer Appeal of £300

AUDITORS

The auditors, FW Stephens, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

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 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 judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 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

PROVISION OF INFORMATION TO AUDITORS

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

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

This report was approved by the board on

26/4/10

and signed on its behalf



C Rowswell
Secretary

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF G K R LOGISTICS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of G K R Logistics Limited for the year ended 31 October 2009, set out on pages 5 to 22. 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 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 October 2009 and of the group's loss 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.

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF G K R LOGISTICS 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 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

FW Stephens

Michael Procter BSc FCA (Senior statutory auditor)
for and on behalf of

FW STEPHENS

Chartered Accountants and Registered Auditors

Third Floor

24 Chiswell Street

London

EC1Y 4YX

Date *30 APRIL 2010*

G K R LOGISTICS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Note	2009 £	2008 £
TURNOVER	1,2	4,867,517	9,953,812
Cost of sales		(3,449,191)	(6,869,228)
GROSS PROFIT		1,418,326	3,084,584
Selling and distribution costs		(6,563)	(9,830)
Administrative expenses		(1,400,566)	(1,572,462)
OPERATING PROFIT	3	11,197	1,502,292
Interest receivable		2,619	15,308
Interest payable	5	(24,366)	(62,095)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(10,550)	1,455,505
Tax on (loss)/profit on ordinary activities	6	(2,518)	(407,783)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	17	(13,068)	1,047,722

All amounts relate to continuing operations

The notes on pages 10 to 22 form part of these financial statements

G K R LOGISTICS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2009**

	2009	2008
	£	£
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(13,068)	1,047,722
Unrealised deficit on revaluation of tangible fixed assets	-	(290,000)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(13,068)	757,722

The notes on pages 10 to 22 form part of these financial statements

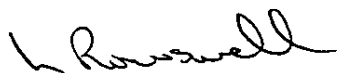
G K R LOGISTICS LIMITED
REGISTERED NUMBER: 4164708

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Intangible fixed assets	7		4,316		10,788
Tangible fixed assets	8		2,170,532		2,503,478
			<u>2,174,848</u>		<u>2,514,266</u>
CURRENT ASSETS					
Stocks	11	2,000		3,500	
Debtors	12	1,360,969		2,016,203	
Cash at bank		669,249		1,132,173	
		<u>2,032,218</u>		<u>3,151,876</u>	
CREDITORS amounts falling due within one year	13	(1,931,917)		(3,274,316)	
NET CURRENT ASSETS/(LIABILITIES)			<u>100,301</u>		<u>(122,440)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,275,149</u>		<u>2,391,826</u>
CREDITORS amounts falling due after more than one year	14		(763,460)		(867,069)
NET ASSETS			<u><u>1,511,689</u></u>		<u><u>1,524,757</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		222		222
Revaluation reserve	17		(345,941)		(345,941)
Profit and loss account	17		1,857,408		1,870,476
SHAREHOLDERS' FUNDS	18		<u><u>1,511,689</u></u>		<u><u>1,524,757</u></u>

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

26/4/10



L Rowswell
Director

The notes on pages 10 to 22 form part of these financial statements

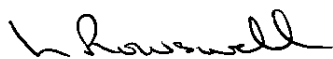
G K R LOGISTICS LIMITED
REGISTERED NUMBER: 4164708

COMPANY BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	8		48,782		65,720
Fixed asset investments	9		1,800,220		1,800,220
			<u>1,849,002</u>		<u>1,865,940</u>
CURRENT ASSETS					
Stocks	11	2,000		3,500	
Debtors	12	25,128		48,478	
Cash at bank		86,961		41,930	
		<u>114,089</u>		<u>93,908</u>	
CREDITORS amounts falling due within one year	13	(41,814)		(93,161)	
NET CURRENT ASSETS			<u>72,275</u>		<u>747</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,921,277</u>		<u>1,866,687</u>
CREDITORS amounts falling due after more than one year	14		(1,180,000)		(1,180,000)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		-		(917)
NET ASSETS			<u>741,277</u>		<u>685,770</u>
CAPITAL AND RESERVES					
Called up share capital	16		222		222
Profit and loss account	17		741,055		685,548
SHAREHOLDERS' FUNDS	18		<u>741,277</u>		<u>685,770</u>

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

26/4/10



L Rowswell
Director

The notes on pages 10 to 22 form part of these financial statements

G K R LOGISTICS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Note	2009 £	2008 £
Net cash flow from operating activities	19	434,897	890,676
Returns on investments and servicing of finance	20	(21,747)	(46,787)
Taxation		(580,838)	(42,090)
Capital expenditure and financial investment	20	(224,298)	(271,313)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(391,986)	530,486
Financing	20	(70,938)	(172,858)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(462,924)	357,628

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	2009 £	2008 £
(Decrease)/Increase in cash in the year	(462,924)	357,628
Cash outflow from decrease in debt and lease financing	70,938	172,858
MOVEMENT IN NET DEBT IN THE YEAR	(391,986)	530,486
Net funds/(debt) at 1 November 2008	221,031	(309,455)
NET (DEBT)/FUNDS AT 31 OCTOBER 2009	(170,955)	221,031

The notes on pages 10 to 22 form part of these financial statements

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2009

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of G K R Logistics Limited and all of its subsidiary undertakings ('subsidiaries')

1.3 TURNOVER

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

1.4 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

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	20% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	33 33% reducing balance

Land and buildings are held in the balance sheet at a value confirmed by an independent qualified professional in June 2007 less any provisions for impairment. A depreciation charge has not been made on the grounds that the residual value is not materially different from the carrying amount of the asset. This will be reviewed in subsequent years

1.6 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment

1.7 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 finance 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

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2009

1. ACCOUNTING POLICIES (continued)

1 8 OPERATING LEASES

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1 9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1 10 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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

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

2 TURNOVER

The whole of the turnover for the group has been derived from its principal activity of scaffold suppliers

All turnover arose within the United Kingdom

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

3. OPERATING PROFIT

The operating profit is stated after charging

	2009 £	2008 £
Amortisation - intangible fixed assets	6,472	6,472
Depreciation of tangible fixed assets		
- owned by the group	594,634	619,274
- held under finance leases	22,170	27,816
Auditors' remuneration	12,750	9,929
Operating lease rentals		
- plant and machinery	63,005	79,405
Net profit on sales of fixed assets	24,216	-
	<u>24,216</u>	<u>-</u>

Auditors fees for the company were £4,250 (2008 - £3,326)

4 STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration (2008 - £NIL)

5 INTEREST PAYABLE

	2009 £	2008 £
On other loans	23,135	60,864
On finance leases and hire purchase contracts	1,231	1,231
	<u>24,366</u>	<u>62,095</u>

6. TAXATION

	2009 £	2008 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on (loss)/profit for the year	60,343	488,502
Adjustments in respect of prior periods	-	(243)
TOTAL CURRENT TAX	<u>60,343</u>	<u>488,259</u>
DEFERRED TAX (see note 15)		
Origination and reversal of timing differences	(57,825)	(80,476)
TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	<u>2,518</u>	<u>407,783</u>

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

6. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (*2008 - higher than*) the standard rate of corporation tax in the UK (22.34%). The differences are explained below

	2009 £	2008 £
(Loss)/profit on ordinary activities before tax	<u>(10,550)</u>	<u>1,455,505</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.34% (<i>2008 - 25.36%</i>)	<u>(2,357)</u>	<u>369,116</u>
EFFECTS OF:		
Expenses not deductible for tax purposes	19,672	21,685
Depreciation for year in excess of capital allowances	58,444	55,306
Other tax adjustments	(15,416)	42,395
Adjustments to tax charge in respect of prior periods	-	(243)
CURRENT TAX CHARGE FOR THE YEAR (see note above)	<u><u>60,343</u></u>	<u><u>488,259</u></u>

7. INTANGIBLE FIXED ASSETS

	Goodwill £
GROUP	
COST	
At 1 November 2008 and 31 October 2009	<u>45,306</u>
AMORTISATION	
At 1 November 2008	34,518
Charge for the year	6,472
At 31 October 2009	<u>40,990</u>
NET BOOK VALUE	
At 31 October 2009	<u><u>4,316</u></u>
At 31 October 2008	<u><u>10,788</u></u>

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

8. TANGIBLE FIXED ASSETS

GROUP	Land and buildings £	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
COST OR VALUATION					
At 1 November 2008	1,167,903	3,100,085	175,417	40,937	4,484,342
Additions	-	284,535	-	-	284,535
Disposals	-	(385,567)	(5,062)	-	(390,629)
At 31 October 2009	1,167,903	2,999,053	170,355	40,937	4,378,248
DEPRECIATION					
At 1 November 2008	-	1,840,569	109,697	30,598	1,980,864
Charge for the year	-	597,101	16,261	3,442	616,804
On disposals	-	(385,567)	(4,385)	-	(389,952)
At 31 October 2009	-	2,052,103	121,573	34,040	2,207,716
NET BOOK VALUE					
At 31 October 2009	1,167,903	946,950	48,782	6,897	2,170,532
At 31 October 2008	1,167,903	1,259,516	65,720	10,339	2,503,478

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

GROUP	2009 £	2008 £
Plant and machinery	2,461	8,370

The land and buildings were revalued in June 2007 by an independent qualified professional on an open market existing use basis

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

8. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

GROUP	2009	2008
	£	£
Cost	774,385	774,385
Accumulated depreciation	-	-
Net book value	774,385	774,385
		Motor vehicles
		£
COMPANY		
COST OR VALUATION		
At 1 November 2008		175,417
Disposals		(5,062)
At 31 October 2009		170,355
DEPRECIATION		
At 1 November 2008		109,697
Charge for the year		16,261
On disposals		(4,385)
At 31 October 2009		121,573
NET BOOK VALUE		
At 31 October 2009		48,782
At 31 October 2008		65,720

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings
	£
COMPANY	
COST OR VALUATION	
At 1 November 2008 and 31 October 2009	1,800,220

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

10 PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Principle Activity
G K R Scaffolding Limited	England and Wales	100 Ordinary Shares	Scaffolding suppliers
Frindsbury Properties Limited	England and Wales	100 Ordinary Shares	Property owning company

11 STOCKS

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Finished goods and goods for resale	2,000	3,500	2,000	3,500

12 DEBTORS

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	1,070,954	1,846,442	19,823	42,722
Other debtors	128,434	70,981	-	-
Prepayments and accrued income	82,966	77,990	4,910	5,756
Deferred tax asset (see note 15)	78,615	20,790	395	-
	1,360,969	2,016,203	25,128	48,478

**13 CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts	74,282	38,164	-	-
Net obligations under finance leases and hire purchase contracts	2,462	5,909	-	-
Trade creditors	1,762,369	2,687,265	13,100	22,314
Corporation tax	36,162	488,502	16,803	48,869
Social security and other taxes	8,861	19,982	1,911	11,890
Other creditors	7,999	-	-	-
Accruals and deferred income	39,782	34,494	10,000	10,088
	1,931,917	3,274,316	41,814	93,161

Net obligations due within one year and in more than one year under finance leases and hire purchase contracts are secured on the assets held under those agreements

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

13 CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Bank loans	763,460	864,607	-	-
Net obligations under finance leases and hire purchase contracts	-	2,462	-	-
Amounts owed to group undertakings	-	-	1,180,000	1,180,000
	763,460	867,069	1,180,000	1,180,000

Included within the above are amounts falling due as follows

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
BETWEEN ONE AND TWO YEARS				
Bank loans	74,282	38,164	-	-
BETWEEN TWO AND FIVE YEARS				
Bank loans	68,797	198,628	-	-
OVER FIVE YEARS				
Bank loans	620,381	627,815	-	-
Amounts owed to group undertakings	-	-	1,180,000	1,180,000

Creditors include amounts not wholly repayable within 5 years as follows

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Repayable other than by instalments	620,381	627,815	1,180,000	1,180,000

The bank loans disclosed above bear interest at 1.5% per annum over Barclays Bank Plc's base rate
The loan is repayable by instalments until it is due to mature on 31 March 2025

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

**14 CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

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

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Between one and five years	-	2,462	-	-

There is a bank loan within the financial statements of G K R Scaffolding Limited and Frindsbury Properties Limited, both of equal amounts

A guarantee was given by Frindsbury Properties Limited on behalf of G K R Scaffolding Limited to Barclays Bank Plc, supported by a charge over that company's property

The bank loan in Frindsbury Properties Limited is secured by way of a first legal charge over this company's same property at Medway City Estate, Rochester, Kent

15 DEFERRED TAXATION

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
At beginning of year	20,790	(59,686)	(917)	(2,657)
Released during the year	57,825	80,476	1,312	1,740
At end of year	78,615	20,790	395	(917)

The deferred taxation balance is made up as follows

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Accelerated capital allowances	78,615	20,790	395	(917)

16 SHARE CAPITAL

	2009	2008
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
222 Ordinary shares of £1 each	222	222

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

17 RESERVES

	Revaluation reserve £	Profit and loss account £
GROUP		
At 1 November 2008	(345,941)	1,870,476
Loss for the year		(13,068)
At 31 October 2009	<u>(345,941)</u>	<u>1,857,408</u>
COMPANY		Profit and loss account £
At 1 November 2008		685,548
Profit for the year		55,507
At 31 October 2009		<u>741,055</u>

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
GROUP		
Opening shareholders' funds	1,524,757	767,035
(Loss)/profit for the year	(13,068)	1,047,722
Other recognised losses during the year	-	(290,000)
Closing shareholders' funds	<u>1,511,689</u>	<u>1,524,757</u>
COMPANY	2009 £	2008 £
Opening shareholders' funds	685,770	561,795
Profit for the year	55,507	123,975
Closing shareholders' funds	<u>741,277</u>	<u>685,770</u>

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 £55,507 (2008 - £123,975)

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

19 NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	11,197	1,502,292
Amortisation of intangible fixed assets	6,472	6,472
Depreciation of tangible fixed assets	616,804	647,090
Profit on disposal of tangible fixed assets	(59,560)	-
Decrease/(increase) in stocks	1,500	(3,000)
Decrease in debtors	781,214	1,313,971
Decrease in creditors	(922,730)	(1,206,149)
Decrease in amounts owed to group undertakings	-	(1,370,000)
NET CASH INFLOW FROM OPERATING ACTIVITIES	434,897	890,676

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	2,619	15,308
Interest paid	(23,135)	(60,864)
Hire purchase interest	(1,231)	(1,231)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(21,747)	(46,787)
	2009 £	2008 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(284,535)	(271,313)
Sale of tangible fixed assets	60,237	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(224,298)	(271,313)
	2009 £	2008 £
FINANCING		
Repayment of loans	(65,029)	(28,921)
Repayment of other loans	-	(138,028)
Repayment of finance leases	(5,909)	(5,909)
NET CASH OUTFLOW FROM FINANCING	(70,938)	(172,858)

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

21 ANALYSIS OF CHANGES IN NET DEBT

	1 November 2008 £	Cash flow £	Other non-cash changes £	31 October 2009 £
Cash at bank and in hand	1,132,173	(462,924)	-	669,249
DEBT				
Debts due within one year	(44,073)	70,938	(103,609)	(76,744)
Debts falling due after more than one year	(867,069)	-	103,609	(763,460)
NET FUNDS	<u>221,031</u>	<u>(391,986)</u>	<u>-</u>	<u>(170,955)</u>

22 OPERATING LEASE COMMITMENTS

At 31 October 2009 the Group had annual commitments under non-cancellable operating leases as follows

	2009 £	2008 £
GROUP		
EXPIRY DATE		
Between 2 and 5 years	<u>54,160</u>	<u>54,162</u>

At 31 October 2009 the Company had annual commitments under non-cancellable operating leases as follows

	2009 £	2008 £
COMPANY		
EXPIRY DATE		
Between 2 and 5 years	<u>54,160</u>	<u>54,162</u>

G K R LOGISTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

23 RELATED PARTY TRANSACTIONS

G Rowswell, L Rowswell and N Rowswell are partners in G K & Y Rowswell Partnership. The invoiced value of management costs supplied by the Partnership was £230,000 (2008 £240,000). The balance outstanding at the year end was £nil (2008 £nil).

G Rowswell, L Rowswell and N Rowswell are directors of GKR Construction Southern Limited. The invoiced value of subcontractor labour to G K R Scaffolding Limited bought on normal commercial terms was £2,852,984 (2008 £6,082,620). Included within 'Trade creditors' is £1,627,333 (2008 £2,497,495) relating to these costs in note 12.

The invoiced value of administrative costs supplied by G K R Scaffolding Limited to GKR Construction Southern Limited, was £13,136 (2008 £13,180). Included with 'Other debtors' is £nil (2008 £7,200) relating to these costs in note 11.

During the year, GKR Construction Southern Limited prepaid insurance costs of £7,997 (2008 £nil). Since the trade and business assets and liabilities of this company were transferred to G K R Scaffolding Limited from 1 November 2009, this cost has been transferred to G K R Scaffolding Limited and is included within 'Other creditors' in note 12.

24 POST BALANCE SHEET EVENTS

On 1 November 2009, the trade and business assets and liabilities of the company were transferred to its wholly owned subsidiary, G K R Scaffolding Limited.

This occurrence has no financial effect on the figures disclosed in the financial statements for the year ended 31 October 2009.

25 CONTROLLING PARTY

The company is under the ultimate control of its directors.