

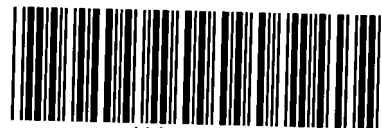
C S Ellis (Group) Limited

Registered number: 00852320

Directors' report and financial statements

For the year ended 30 June 2016

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C S ELLIS (GROUP) LIMITED

COMPANY INFORMATION

Directors	T Ellis C S Ellis D J Clarke H E Cook P Turner
Company secretary	C S Ellis
Registered number	00852320
Registered office	Wireless Hill South Luffenham Oakham Rutland LE15 8NF
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP
Bankers	Barclays Bank Plc Barclays House Meridian Business Park Leicester LE19 1RP

C S ELLIS (GROUP) LIMITED

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C S ELLIS (GROUP) LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

Introduction

The directors present their strategic report for C S Ellis (Group) Limited for the year ended 30 June 2016.

Business review

The core transport operations in C S Ellis (Group) Limited have delivered improved results as the demand for road haulage, especially in the UK, remains buoyant. For a minimal increase in turnover, from £12.46m to £12.53m, the result after tax has been turned from a £224k loss in 2015 to a £178k profit. This has been achieved through investment in the workforce and vehicle fleet to replace the high agency and hire costs incurred in the prior year.

The family run group continues to uphold the values of trust, loyalty and teamwork, coupled with a passion for achievement. To solidify this, in June 2016 it internally announced its 'Group Profit Share Bonus', a discretionary scheme offering a bonus to all employees directly linked to the profitability of the group companies. The directors believe this scheme will provide employees with a greater feeling of ownership and really set the whole business apart from its competitors.

Principal risks and uncertainties

The directors have assessed the main risks facing the group as fuel prices, staff costs and adherence to best health and safety practice, which are regularly reviewed and carefully managed.

This report was approved by the board on 22 February 2017 and signed on its behalf.

C S Ellis
Director



C S ELLIS (GROUP) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their report and the financial statements for the year ended 30 June 2016.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company during the year continued to be that of transport and haulage.

Results and dividends

The profit for the year, after taxation, amounted to £178,178 (2015: loss £223,913)

No dividends were paid during the year (2015:£NIL).

Directors

The directors who served during the year were:

T Ellis
C S Ellis
D J Clarke
H E Cook
P Turner (appointed 1 June 2016)

Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1.

C S ELLIS (GROUP) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016**

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 February 2017 and signed on its behalf.



**C S Ellis
Director**

C S ELLIS (GROUP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C S ELLIS (GROUP) LIMITED

We have audited the financial statements of C S Ellis (Group) Limited for the year ended 30 June 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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) including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

Respective responsibilities of directors and auditor

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 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 Practises Board's Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 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 the other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

C S ELLIS (GROUP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C S ELLIS (GROUP) 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.

Christopher Darlington (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

22 February 2017

C S ELLIS (GROUP) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 £	2015 £
Turnover	4	12,533,114	12,462,072
Cost of sales		(10,344,271)	(11,023,092)
Gross profit		<u>2,188,843</u>	<u>1,438,980</u>
Administrative expenses		(1,909,277)	(1,589,640)
Operating profit/(loss)	5	<u>279,566</u>	<u>(150,660)</u>
Interest receivable and similar income	9	-	61
Interest payable and similar charges	10	(58,409)	(37,353)
Profit/(loss) before tax		<u>221,157</u>	<u>(187,952)</u>
Tax on profit/(loss)	11	(44,591)	(35,961)
Profit/(loss) for the year		<u><u>176,566</u></u>	<u><u>(223,913)</u></u>

There was no other comprehensive income for 2016 (2015 - £NIL)

The notes on pages 9 to 26 form part of these financial statements.

C S ELLIS (GROUP) LIMITED
REGISTERED NUMBER: 00852320

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	12		2,538,825		2,246,496
Investments	13		398,760		389,760
			<u>2,937,585</u>		<u>2,636,256</u>
Current assets					
Stocks	14	61,933		60,389	
Debtors	15	4,599,548		4,569,370	
Cash at bank and in hand		627,544		53,804	
		<u>5,289,025</u>		<u>4,683,563</u>	
Creditors: amounts falling due within one year	16	(3,485,325)		(2,842,312)	
Net current assets			<u>1,803,700</u>		<u>1,841,251</u>
Total assets less current liabilities			<u>4,741,285</u>		<u>4,477,507</u>
Creditors: amounts falling due after more than one year	17		(1,533,762)		(1,483,754)
Provisions for liabilities					
Deferred tax	21	(172,189)		(134,985)	
			<u>(172,189)</u>		<u>(134,985)</u>
Net assets			<u><u>3,035,334</u></u>		<u><u>2,858,768</u></u>
Capital and reserves					
Called up share capital	22		12,780		12,780
Other reserves			3,041		3,041
Profit and loss account			<u>3,019,513</u>		<u>2,842,947</u>
			<u><u>3,035,334</u></u>		<u><u>2,858,768</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 February 2017.



C S Ellis
Director

The notes on pages 9 to 26 form part of these financial statements.

C S ELLIS (GROUP) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	12,780	3,041	2,842,947	2,858,768
Profit for the year	-	-	176,566	176,566
At 30 June 2016	12,780	3,041	3,019,513	3,035,334

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2014	12,780	3,041	3,066,860	3,082,681
Loss for the year	-	-	(223,913)	(223,913)
At 30 June 2015	12,780	3,041	2,842,947	2,858,768

The notes on pages 9 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. General information

C S Ellis (Group) Limited is a limited liability company incorporated in England and Wales. The registered office is noted on the company information page. The principal activity of the company during the year was transport and haulage.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The company is a wholly-owned subsidiary of C S Ellis (Holdings) Limited, a company incorporated in England and Wales, which has produced consolidated financial statements therefore, in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published consolidated accounts.

Information on the impact of first-time adoption of FRS 102 is given in note 28.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The transition date to FRS 102 is 1 July 2014. The impact of the transition from UK GAAP to FRS102 is disclosed at note 28.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of C S Ellis (Holdings) Limited as at 30 June 2016 and these financial statements may be obtained from Companies House.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long term leasehold property	- 20% to 25% per annum straight line
Plant & machinery	- 25% per annum straight line
Motor vehicles	- 10% to 33% per annum straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.5 Valuation of investments

Investments in unlisted shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the statement of comprehensive income account for the period. Where a market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2. Accounting policies (continued)

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated utilisable value. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income account.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities, like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms, the financial asset or liability is measured, initially, at present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.10 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

The company's functional and presentational currency is GBP.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2. Accounting policies (continued)

2.12 Finance cost

Finance costs are charged to the statement of comprehensive income account, over the term of the debt using the effective interest method, so that the amount charged is a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income account on a straight line basis over the lease term.

2.14 Hire purchase contracts

Assets obtained under hire purchase contract are capitalised as tangible fixed assets and are depreciated over their useful lives. 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 statement of comprehensive income account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the statement of comprehensive income account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.16 Interest income

Interest income is recognised in the statement of comprehensive income account using the effective interest method.

2.17 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income account in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2. Accounting policies (continued)

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income account.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies
None.

(b) Critical accounting estimates and assumptions
The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See accounting policy note 2.4 for the useful economic lives for each class of assets.

(ii) Property valuation
The valuation of property held for investment and used in the business.

(iii) Impairment of debtors
The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

4. Turnover

Turnover is attributable to the principal activity of the company and arose wholly within the United Kingdom.

5. Operating profit/(loss)

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

	2016	2015
	£	£
Depreciation of fixed assets - owned	313,047	334,076
Depreciation of fixed assets - hire purchase contracts	248,675	205,924
Exchange differences	(34,284)	(8,187)
Other operating lease rentals	338,932	516,910
Defined contribution pension cost	39,087	19,650
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2016	2015
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	18,550	18,250
	<u>18,550</u>	<u>18,250</u>
Fees payable to the company's auditor and its associates in respect of:		
All other services	19,100	12,500
	<u>19,100</u>	<u>12,500</u>

Auditor's remuneration for audit and non-audit services is borne by the company on behalf of the C S Ellis (Holdings) Limited group of companies, which also includes fellow subsidiary undertakings Pacwolf Fulfilment Limited and Versatile Venues Limited.

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	3,617,623	3,145,361
Social security costs	316,679	331,779
Cost of defined contribution pension scheme	39,087	19,650
	<u>3,973,389</u>	<u>3,496,790</u>

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

	2016 No.	2015 No.
Haulage and storage	93	90
Administration	38	29
	<u>131</u>	<u>119</u>

8. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	197,436	250,440
Company contributions to defined contribution pension schemes	24,068	3,469
	<u>221,504</u>	<u>253,909</u>

During the year retirement benefits were accruing to 4 directors (2015 - 4) in respect of defined contribution pension schemes.

9. Interest receivable

	2016 £	2015 £
Other interest receivable	-	61
	<u>-</u>	<u>61</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

10. Interest payable and similar charges

	2016	2015
	£	£
Bank interest payable	22,289	6,867
Hire purchase contracts	36,120	30,486
	<u>58,409</u>	<u>37,353</u>

11. Taxation

	2016	2015
	£	£
Corporation tax		
Current tax on profits for the year	806	-
Adjustments in respect of previous periods	6,581	(39)
Total current tax	<u>7,387</u>	<u>(39)</u>
Deferred tax		
Origination and reversal of timing differences	42,185	36,000
Losses	(2,473)	-
Adjustment in respect of prior year	(2,508)	-
Total deferred tax	<u>37,204</u>	<u>36,000</u>
Taxation on profit/(loss) on ordinary activities	<u>44,591</u>	<u>35,961</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	221,157	(187,952)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	44,231	(39,470)
Effects of:		
Expenses not deductible for tax purposes	1,123	3,645
Ineligible capital allowances	10,154	-
Adjustments to tax charge in respect of prior periods	4,073	(39)
Variance in tax rate	(14,689)	-
Other timing differences	-	(6,453)
Prior year deferred tax not recognised	(301)	-
Group relief	-	78,278
Total tax charge for the year	44,591	35,961

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

12. Tangible fixed assets

	Long term leasehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 July 2015	155,027	2,924,547	5,458,289	8,537,863
Additions	-	552,607	346,911	899,518
Disposals	(45,467)	(54,065)	(173,454)	(272,986)
At 30 June 2016	109,560	3,423,089	5,631,746	9,164,395
Depreciation				
At 1 July 2015	54,724	2,404,252	3,832,391	6,291,367
Charge for the year	15,994	222,493	323,235	561,722
Disposals	-	(54,065)	(173,454)	(227,519)
At 30 June 2016	70,718	2,572,680	3,982,172	6,625,570
Net book value				
At 30 June 2016	38,842	850,409	1,649,574	2,538,825
At 30 June 2015	100,303	520,295	1,625,898	2,246,496

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

	2016 £	2015 £
Plant and machinery	303,415	-
Motor vehicles	1,339,682	1,421,147
	<u>1,643,097</u>	<u>1,421,147</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

13. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 July 2015	389,760
Additions	9,000
At 30 June 2016	<u>398,760</u>
Net book value	
At 30 June 2016	<u>398,760</u>
At 30 June 2015	<u>389,760</u>

Included in the above are investments held at valuation amounting to £389,760 (2015:£380,760)

14. Stocks

	2016 £	2015 £
Fuel and spare parts	61,933	60,389
	<u>61,933</u>	<u>60,389</u>

15. Debtors

	2016 £	2015 £
Trade debtors	3,002,909	3,793,433
Amounts owed by group undertakings	1,015,839	-
Amounts owed by joint ventures	55	24,669
Other debtors	140,394	175,124
Prepayments and accrued income	440,351	576,144
	<u>4,599,548</u>	<u>4,569,370</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

16. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	-	93,012
Bank loans	38,546	24,052
Trade creditors	1,543,253	1,607,581
Amounts owed to group undertakings	-	142,957
Corporation tax	806	-
Taxation and social security	221,302	327,016
Obligations under hire purchase contracts	396,974	350,924
Other creditors	1,125,615	-
Accruals and deferred income	158,829	296,770
	<u>3,485,325</u>	<u>2,842,312</u>

Secured loans

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

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company.

17. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans	676,946	720,574
Obligations under hire purchase contracts	856,816	763,180
	<u>1,533,762</u>	<u>1,483,754</u>

Secured loans

Included in the above are loans repayable by installments after more than 5 years. The interest rate charged on these loans is 2.25% above the base rate.

Bank loans are secured by a fixed and floating charge over the assets of the company.

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

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

18. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	38,546	24,052
	<u>38,546</u>	<u>24,052</u>
Amounts falling due within 1-2 years		
Bank loans	37,943	38,547
	<u>37,943</u>	<u>38,547</u>
Amounts falling due within 2-5 years		
Bank loans	639,003	111,955
	<u>639,003</u>	<u>111,955</u>
Amounts falling due after more than 5 years		
Bank loans	-	570,072
	<u>-</u>	<u>570,072</u>
	<u>715,492</u>	<u>744,626</u>

19. Hire purchase contracts

Minimum payments under hire purchase contracts fall due as follows:

	2016 £	2015 £
Within one year	396,974	350,924
Between 1-2 years	332,165	289,496
Between 2-5 years	524,647	473,680
	<u>1,253,786</u>	<u>1,114,100</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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20. Financial instruments

	2016 £	2015 £
Financial assets		
Investments and cash at bank measured at fair value	1,026,304	443,564
Debtors measured at amortised cost	4,159,197	3,993,226
	<u>5,185,501</u>	<u>4,436,790</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(3,543,193)	(2,884,950)
	<u>(3,543,193)</u>	<u>(2,884,950)</u>

21. Deferred taxation

	2016 £	2015 £
At beginning of year	(134,985)	(98,985)
Charged to the profit or loss	(37,204)	(36,000)
At end of year	<u>(172,189)</u>	<u>(134,985)</u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(144,637)	(112,000)
Tax losses carried forward	4,981	-
Unrealised gain on fixed assets	(39,985)	(39,985)
Other timing difference	7,452	17,000
	<u>(172,189)</u>	<u>(134,985)</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

22. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
12,780 Ordinary shares of £1 each	12,780	12,780
	<u>12,780</u>	<u>12,780</u>

23. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,627 (2015 - £19,650). Contributions totalling £6,063 (2015 - £8,127) were payable to the fund at the balance sheet date and are included within creditors.

24. Commitments under operating leases

At 30 June 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	959,768	970,581
Later than 1 year and not later than 5 years	2,569,683	2,767,058
Later than 5 years	4,297,000	3,687,999
	<u>7,826,451</u>	<u>7,425,638</u>

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

25. Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 section 33 "Related Party Disclosures" not to disclose transactions with other group entities.

Sales of £562,362 (2015 - £744,461) were made to Ellis White's LLP, an entity which is a joint-venture of the company, and £183,560 (2015 - £276,921) is owed by the LLP at the year end. The company is one of the two partners in the LLP.

Purchases of £7,229 (2015 - £20,411) and sales of £3,403 (2015 - £1,094) were made from/to Rutland Worldwide Freight Limited, an entity in which the company holds an investment. At the year end £2,783 (2015 - £13,420) and £665 (2015 - Nil) was owed to/from the Company.

Purchases of £49,697 (2015 - £19,177) and sales of £380 (2015 - £127) were made from/to Welland Vale Limited, a company in which T C Ellis is a director. At the year end £28,040 (2015 - £8,370) and £92 (2015 - Nil) was owed to/from the company.

Purchases of £281,976 (2015 - £293,243) and sales of £313,846 (2015 - £335,885) were made from/to Palletline Plc, a company in which T C Ellis is a director. At the year end £32,544 (2015 - £53,317) and £34,990 (2015 - £31,129) was owed to/from C S Ellis (Group) Limited.

26. Ultimate and immediate parent company

The ultimate and immediate parent company is C S Ellis (Holdings) Limited, a company incorporated and registered in England and Wales. The largest and smallest group in which the consolidated results of the company are available is headed by C S Ellis (Holdings) Limited. Copies are available from Companies House.

27. Controlling party

The directors consider the ultimate controlling party to continue to be T Ellis by virtue of a majority holding of the ordinary share capital in the ultimate parent company.

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

28. First time adoption of FRS 102

	As previously stated 1 July 2014 £	Effect of transition 1 July 2014 £	FRS 102 (as restated) 1 July 2014 £	As previously stated 30 June 2015 £	Effect of transition 30 June 2015 £	FRS 102 (as restated) 30 June 2015 £
Fixed assets	1,991,844	277,010	2,268,854	2,359,246	277,010	2,636,256
Current assets	4,145,268	-	4,145,268	4,683,563	-	4,683,563
Creditors: amounts falling due within one year	(2,731,732)	-	(2,731,732)	(2,842,316)	-	(2,842,316)
Net current assets	1,413,536	-	1,413,536	1,841,247	-	1,841,247
Total assets less current liabilities	3,405,380	277,010	3,682,390	4,200,493	277,010	4,477,503
Creditors: amounts falling due after more than one year	(500,725)	-	(500,725)	(1,483,750)	-	(1,483,750)
Provisions for liabilities	(59,000)	(39,985)	(98,985)	(95,000)	(39,985)	(134,985)
Net assets	2,845,655	237,025	3,082,680	2,621,743	237,025	2,858,768
Capital and reserves	2,845,655	237,025	3,082,680	2,621,743	237,025	2,858,768

C S ELLIS (GROUP) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

28. First time adoption of FRS 102 (continued)

	Note	As previously stated 30 June 2015 £	Effect of transition 30 June 2015 £	FRS 102 (as restated) 30 June 2015 £
Turnover		12,462,072	-	12,462,072
Cost of sales		(11,023,092)	-	(11,023,092)
		1,438,980	-	1,438,980
Administrative expenses		(1,589,640)	-	(1,589,640)
Operating profit		(150,660)	-	(150,660)
Interest receivable and similar income		61	-	61
Interest payable and similar charges		(37,353)	-	(37,353)
Taxation		(35,961)	-	(35,961)
Loss on ordinary activities after taxation and for the financial year		(223,913)	-	(223,913)

Explanation of changes to previously reported profit and equity:

Unlisted investment

Under UK GAAP the company policy was to recognise investments at cost. Within FRS102 the investment is measured at fair value with changes in fair value recognised in profit and loss. Deferred tax amounting to £39,985 has been recognised on this unrealised gain.