

# Annual Report and Financial Statements Uniserve Holdings Limited

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For the year ended 31 March 2018

Registered number: 02234562

THURSDAY



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27/12/2018  
COMPANIES HOUSE

## Company Information

<b>Directors</b>	I R Liddell S Ireland P Stone
<b>Company secretary</b>	B G Tuck
<b>Registered number</b>	02234562
<b>Registered office</b>	Upminster Court Hall Lane Upminster Essex RM14 1AL
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 80 Compair Crescent Ipswich Suffolk IP2 0EH

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## **Uniserve Holdings Limited**

# **Group Strategic Report**

**For the year ended 31 March 2018**

The directors present their strategic report on Uniserve Holdings Limited ('the Company') and its subsidiaries (together 'the Group') for the year ended 31 March 2018.

### **Principal activities**

The Company's principal activity is that of a holding company. The Group's principal activity is the holding of investments, storage and the transportation of goods by land, sea and air.

### **Business review and principal risks and uncertainties**

The directors consider the financial performance achieved on ordinary activities before taxation for the year to 31<sup>st</sup> March 2018 to be satisfactory given the difficult trading conditions.

Group performance has been adversely affected by the ongoing challenges in the retail sector, as a shareholder and creditor of Blue Inc the Group has made a provision in the accounts for £9 million against bad debts and investments.

Additionally, the trading performance of our container transport operations have been hugely affected by a major contractual issue which we are pursuing through the courts.

The Group has taken a particularly prudent approach to the write off of goodwill given major challenges and structural issues in the UK container transport sector.

While our revaluation of land and assets at Felixstowe has also been prudent it is expected that these assets will appreciate significantly with improving economic conditions.

The core businesses of sea, air and road continues to perform well against the backdrop of challenging economic conditions, Brexit uncertainty and retail sector challenges.

The Group has adequate resources to take advantage of current and future business opportunities.

Whilst Brexit brings uncertainty it brings opportunity to Uniserve as we have unique capabilities to facilitate global trade and run dynamic supply chains globally.

Uniserve are experts in Customs and have significant UK coverage of all major gateways and are one of very a few businesses that are established in Dover for European road freight operations.

### **Financial risk management**

#### **Liquidity risk**

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

#### **Foreign currency risk**

The Group purchases services from overseas companies. The Group manages foreign currency risk by reviewing its exposures and passing on the risk to their ultimate customers.

#### **Credit risk**

The Group trades with only recognised, creditworthy third parties. It is the Group policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

Uniserve Holdings Limited

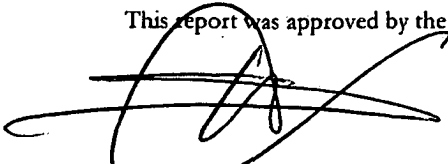
## Group Strategic Report

For the year ended 31 March 2018

### Financial key performance indicators

The Group's key performance indicators are turnover and profit after tax as set out in the Statement of Comprehensive Income.

This report was approved by the board on 21/12/18 and signed on its behalf.



J R Liddell  
Director

## Directors' Report

For the Year Ended 31 March 2018

The Directors present their report and the audited financial statements of the Group and Company for the year ended 31 March 2018.

### Results and dividends

The loss for the year, after taxation and minority interests, amounted to £6,820,000 (2017 – profit of £3,435,000). There were no dividends paid for the current or preceding year.

### Directors

The Directors who served during the year were:

I R Liddell  
S Ireland  
P Stone

### Directors' responsibilities statement

The Directors are responsible for preparing the Group 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

### Future developments

Uniserve have a diverse range of services and facilities and we will continue to invest in new supply chain technologies and efficiencies. We will be increasing our infrastructure through acquisition of national and international properties and service providers, as well as providing education as a major benefit for working for Uniserve and being a client of ours.

# Directors' Report

For the Year Ended 31 March 2018

## Financial instruments

The Group's principal financial instruments comprise cash, debtors and short term investments. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The Group does not enter into derivative transactions.

It is the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are liquidity risk, foreign currency risk, and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised in the strategic report.

## Employees

### Disabled employees

The Group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

### Employee involvement

The Group operates a framework for employee information and consultation. Employees are encouraged to present their suggestions and views on the Group's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

## Foreign operations

The subsidiary Expo Global Distribution Centre (Pte.) Limited is incorporated in Singapore. Its main trading activity is based out of the subcontinent. All other entities within the Group are incorporated in England and Wales, and headquartered in their country of incorporation.

## 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 that Directors are aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that Directors have taken all the steps that ought to have been taken as Directors in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

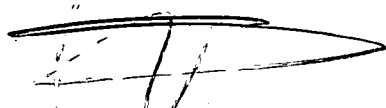
## Post balance sheet events

There have been no significant events affecting the Group since the year end.

## Auditor

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

This report was approved by the board on 21/12/2018 and signed on its behalf.



I R Liddell  
Director



# Independent Auditor's Report to the Members of Uniserve Holdings Limited

## Independent auditor's report to the members of Uniserve Holdings Limited

### Opinion

We have audited the financial statements of Uniserve Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2018 which comprise Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2018 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Who we are reporting to

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.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.





# Independent Auditor's Report to the Members of Uniserve Holdings Limited

## **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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.

## **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' responsibilities statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the Parent Company or to cease operations, or have no realistic alternative but to do so.



## Independent Auditor's Report to the Members of Uniserve Holdings Limited

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

A handwritten signature in black ink that reads "James Brown UK LLP".

James Brown LLB ACA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Ipswich  
Suffolk  
IP2 0EH  
Date:

21 December 2018

# Consolidated Statement of Comprehensive Income

For the year ended 31 March 2018

		2018 Underlying trading	2018 Amortisation and impairment	2018 Total	2017 Total
	Note	£'000	£'000		£'000
<b>Turnover</b>	5	223,557	-	223,557	206,432
Cost of sales		(198,961)	-	(198,961)	(182,884)
<b>Gross profit</b>		24,596	-	24,596	23,548
Administrative expenses		(37,406)	(5,431)	(42,837)	(24,460)
Gain on revaluation of investment property		5,817		5,817	
<b>Operating (loss)/profit</b>	6	(6,993)	(5,431)	(12,424)	(912)
Share of profits in associates		5,326	-	5,326	5,032
		(1,667)	(5,431)	(7,098)	4,120
Net interest receivable and similar income	8	800	-	800	663
<b>(Loss)/Profit on ordinary activities before taxation</b>		(867)	(5,431)	(6,298)	4,783
Tax on (loss)/profit on ordinary activities	11			(522)	(1,348)
<b>(Loss)/Profit for the financial year</b>				(6,820)	3,435
Loss for the financial year attributable to:					
Owners of the parent				(6,844)	3,343
Non-controlling interests				24	92
<b>(Loss)/Profit for the financial year</b>				(6,820)	3,435

All amounts relate to continuing operations.

There were no recognised gains and losses for 2018 or 2017 other than those included in the profit or loss account.

During the year there was Other Comprehensive Income of £8,000 (2017: £282,000) relating to the retranslation of opening reserves for a foreign subsidiary.

The notes on pages 14 to 35 form part of these financial statements.

# Consolidated Statement of Financial Position

As at 31 March 2018

	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Intangible assets	13	10,824	16,255
Tangible assets	14	17,381	17,219
Investments	15	26,620	21,249
		<u>54,825</u>	<u>54,723</u>
<b>Current assets</b>			
Stocks		203	267
Debtors: amounts falling due within one year	16	44,750	39,057
Debtors: amounts falling due after more than one year	16	9,888	9,714
Current asset investments	17	6,222	6,822
Cash at bank and in hand		9,559	6,069
		<u>70,622</u>	<u>61,929</u>
<b>Creditors</b>			
Amounts falling due within one year	18	(48,387)	(34,922)
<b>Net current assets</b>		<u>22,235</u>	<u>27,007</u>
<b>Total assets less current liabilities</b>		<u>77,060</u>	<u>81,730</u>
<b>Creditors</b>			
Amounts falling due after more than one year	19	(9,245)	(7,109)
Deferred tax	20	(32)	(26)
Provision for liabilities	21	(93)	(93)
<b>Net assets</b>		<u>67,690</u>	<u>74,502</u>
<b>Capital and reserves</b>			
Called up share capital	22	100	100
Revaluation reserve	23	(198)	(198)
Profit and loss account	23	67,893	74,729
		<u>67,795</u>	<u>74,631</u>
Non-controlling interests		(105)	(129)
		<u>67,690</u>	<u>74,502</u>

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

21/12/2018

I R Liddell  
Director

The notes on pages 14 to 35 form part of these financial statements.

Uniserve Holdings Limited

# Company Statement of Financial Position

As at 31 March 2018

	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Tangible assets	14	13,628	12,979
Investments	15	33,671	36,516
		<u>47,299</u>	<u>49,495</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	16	15,720	11,511
Debtors: amounts falling due after more than one year	16	9,888	9,714
Cash at bank		2,432	282
		<u>28,040</u>	<u>21,507</u>
<b>Creditors</b>			
Amounts falling due within one year	18	(73,757)	(68,329)
<b>Net current assets</b>		<u>(45,717)</u>	<u>(46,822)</u>
<b>Total assets less current liabilities</b>		<u>1,582</u>	<u>2,673</u>
<b>Creditors</b>			
Amounts falling due after more than one year	19	(8,447)	(5,280)
<b>Net assets</b>		<u>(6,865)</u>	<u>(2,607)</u>
<b>Capital and reserves</b>			
Called up share capital	22	100	100
Profit and loss account	23	(6,965)	(2,707)
<b>Shareholders' funds</b>		<u>(6,865)</u>	<u>(2,607)</u>

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

  
I R Liddell  
Director

21/12/2018

The notes on pages 12 to 35 form part of these financial statements.

## Consolidated Statement of Changes in Equity

For the year ended 31 March 2018

	<b>Called-up share capital</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>	<b>Amount attributable to the owners of the parent</b>	<b>Non-controlling interests</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 31 March 2016	100	(198)	71,104	71,006	(221)	70,785
Profit/(loss) for the year	-	-	3,343	3,343	92	3,435
Other comprehensive income	-	-	282	282	-	282
At 31 March 2017	<u>100</u>	<u>(198)</u>	<u>74,729</u>	<u>74,631</u>	<u>(129)</u>	<u>74,502</u>
Loss for the year	-	-	(6,844)	(6,844)	24	(6,820)
Other comprehensive income	-	-	8	8	-	8
At 31 March 2018	<u>100</u>	<u>(198)</u>	<u>67,893</u>	<u>67,795</u>	<u>(105)</u>	<u>67,690</u>

The notes on pages 14 to 35 form part of these financial statements.

## Company Statement of Changes in Equity

For the year ended 31 March 2018

	<b>Called-up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
At 1 April 2016	100	(5,078)	(4,978)
Profit for the year	-	2,371	2,371
At 31 March 2017	<u>100</u>	<u>(2,707)</u>	<u>(2,607)</u>
Loss for the year	-	(4,258)	(4,258)
<b>At 31 March 2018</b>	<u><b>100</b></u>	<u><b>(6,965)</b></u>	<u><b>(6,865)</b></u>

The notes on pages 14 to 35 form part of these financial statements.

# Consolidated Cash Flow Statement

For the year ended 31 March 2018

	2018	2017 £'000
<b>Cash flows from operating activities</b>		
(Loss)/Profit for the financial year	(6,820)	3,435
Adjustments for:		
Taxation	522	1,348
Interest received	(800)	(663)
Amortisation of intangible assets	1,465	1,321
Impairment of intangible assets	3,966	-
Impairment of investments	2,040	-
Gain on revaluation of investment property	(5,816)	-
Depreciation of tangible assets	3,109	3,590
Share in profits of associate	(1,295)	(513)
Increase in debtors	(5,742)	(12,182)
Decrease/(increase) in stocks	64	(164)
Increase/(decrease) in creditors	13,736	6,690
Cash from operations	4,429	2,862
Income taxes paid	(1,065)	(1,572)
<b>Net cash generated from operating activities</b>	<b>3,364</b>	<b>1,290</b>
<b>Cash flows from investing activities</b>		
Net cash to acquire a subsidiary	-	(3,689)
Proceeds from sale of current investments	600	4,000
Purchase of tangible assets	(3,428)	(556)
Sale of tangible assets	157	114
Purchases of unlisted investments	(300)	(1,539)
Purchase of investments in associates	-	-
Interest received	800	663
<b>Net cash from investing activities</b>	<b>(2,171)</b>	<b>(1,007)</b>
<b>Cash flows from financing activities</b>		
Repayment of finance lease obligations	(2,430)	(2,229)
New bank loans	4,727	-
<b>Net cash used in financing activities</b>	<b>2,297</b>	<b>(2,229)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>3,490</b>	<b>(1,946)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>6,069</b>	<b>8,015</b>
<b>Cash and cash equivalents at end of year</b>	<b>9,559</b>	<b>6,069</b>



# Notes to the Financial Statements

For the year ended 31 March 2018

## 1. Company information

The Company's principal activity is that of a holding company. The Group's principal activity is that of the holding of investments, storage and the transportation of goods by land, sea and air.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Upminster Court, Hall Lane, Upminster, Essex, England.

## 2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£) and have been presented in round thousands (£'000).

The Group financial statements consolidate those of the Company and its subsidiary undertakings drawn up to 31 March 2018, excluding certain immaterial subsidiaries as shown in note 15. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting. Subsidiaries are so considered where the Group either holds the majority of voting rights or has the right to exert a dominant influence.

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

### Going concern

The directors have considered the cash flow requirements of the Group and are confident that the Group has sufficient resources available to it to enable it to pay its debts in full as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

## 3. Principal accounting policies

### 3.1 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable income when the outcome of a contract can be estimated reliably.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 3. Principal accounting policies (continued)

### 3.2 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of consideration given, assets acquired and liabilities incurred or assumed in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the Consolidated Statement of Financial Position immediately below goodwill.

### 3.3 Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group (its subsidiaries). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in Total Comprehensive Income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

### 3.4 Jointly controlled entities and associated undertakings

Undertakings, other than subsidiary undertakings, in which the Group has an investment representing at least 20% of the voting rights and over which it exerts significant influence are treated as associated undertakings.

In the Group financial statements, investments in associates are accounted for using the equity method. The Group's share of profits less losses of associated undertakings is included in the Consolidated Statement of Comprehensive Income. The Group's Statement of Financial Position includes the investment in associated undertakings at the Group's share of net assets.

The Company's Statement of Financial Position shows the investment in associated undertakings at cost less impairment.

### 3.5 Intangible fixed assets and amortisation

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

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 capitalised and is amortised on a straight line basis over a period between 10 and 20 years.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 3. Principal accounting policies (continued)

### 3.6 Tangible fixed assets and depreciation

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

Leasehold land and buildings	-	6.67% straight line basis
Plant & machinery	-	10-20% straight line basis

### 3.7 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 3.8 Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price allowing for all other costs of completion and disposal.

### 3.9 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.

### 3.10 Creditors

Short term trade creditors are measured at the 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.

### 3.11 Lease and hire purchase arrangements

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The interest element of finance lease payments is charged to profit or loss as finance costs over the period of the lease. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

## Notes to the Financial Statements

For the year ended 31 March 2018

### 3. Principal accounting policies (continued)

#### 3.12 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the Group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax assets and deferred tax liabilities are offset only if:

- the group has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### 3.13 Investment properties

Investment properties are included in the Statement of Financial Position at current market value based on valuations carried out by external parties.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 3. Principal accounting policies (continued)

### 3.14 Pension costs

The Group operates three defined contribution pension schemes and the pension charge in Consolidated Statement of Comprehensive Income represents the amounts payable by the Group to the funds in respect of the year.

### 3.15 Foreign currencies translation

#### Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

#### Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in Other Comprehensive Income and are not reclassified to profit or loss.

#### Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of Group Companies are recognised in Other Comprehensive Income and are not reclassified to profit or loss.

### 3.16 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and loans to related parties.

## Notes to the Financial Statements

For the year ended 31 March 2018

### 3. Principal accounting policies (continued)

#### 3.16 Financial instruments (continued)

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 or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the comprehensive income. The impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the Statement of Financial Position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

### 4. Significant judgements and estimates

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

#### Purchase accruals

Due to the nature of the Group's operations it will often recognise revenue and the associated cost before the invoice has been received from its supplier. Management must therefore apply judgement and estimate the expected cost. Management base their decisions on previous experience of working with suppliers.

#### Useful lives of intangible assets

Management reviews its estimate of the useful lives of intangible assets at each reporting date, based on the expected utility of the assets.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 5. Turnover

The whole of the turnover is attributable to the Group's principal activities.

All turnover arose based on sales orders received in the United Kingdom. The Directors consider that disclosure of geographical markets would be prejudicial to the Group's interests and therefore this has not been given.

## 6. Operating (loss)/profit

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

	2018 £'000	2017 £'000
Amortisation of goodwill	1,465	1,321
Depreciation of tangible fixed assets	3,109	3,590
Operating lease rentals:		
- plant and machinery	2,662	4,746
- other operating leases	276	948
	<u>          </u>	<u>          </u>

## 7. Auditors' remuneration

	2018 £'000	2017 £'000
Auditors' remuneration for audit of consolidated accounts	30	30
Fees payable to the Company's auditor and its associates in respect of:		
The auditing of subsidiary company accounts	135	104
Other services relating to taxation	45	36
Forensic services	167	-
	<u>          </u>	<u>          </u>

Included in the auditors' remuneration above is an amount of £7,500 (2017: £7,500) which is attributable to the audit of the parent company, Uniserve Holdings Limited.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 8. Interest receivable

	2018 £'000	2017 £'000
Net interest receivable and similar income	<u>800</u>	<u>663</u>

## 9. Staff costs

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

	2018 £'000	2017 £'000
Wages and salaries	24,717	22,512
Social security costs	2,069	1,581
Pension costs	392	313
	<u>27,178</u>	<u>24,406</u>

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

	2018	2017
Directors, management and operations staff	762	684
	<u>762</u>	<u>684</u>

## 10. Directors' remuneration

	2018 £'000	2017 £'000
Remuneration	<u>704</u>	<u>554</u>
Company pension contributions to defined contribution pension schemes	<u>9</u>	<u>8</u>

During the year retirement benefits were accruing to two Directors (2017 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £332,000 (2017 - £332,000). There were no pension contributions in the year (2017: nil).



# Notes to the Financial Statements

For the year ended 31 March 2018

## 11. Taxation

	2018 £'000	2017 £'000
<b>Analysis of tax charge in the year/year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	-	345
Share of associates tax	977	1,019
Adjustments in respect of prior years	(461)	13
<b>Total current tax</b>	<u>516</u>	<u>1,377</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	6	(29)
<b>Total deferred tax</b> (see note 20)	<u>6</u>	<u>(29)</u>
<b>Tax on (loss)/profit on ordinary activities</b>	<u>522</u>	<u>1,348</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 – higher than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2018 £'000	2017 £'000
(Loss)/Profit on ordinary activities before tax	<u>(6,298)</u>	<u>4,783</u>
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	<u>(1,197)</u>	957
<b>Effects of:</b>		
Fixed asset differences	854	99
Non-tax deductible amortisation of goodwill and impairment of goodwill and investments	17	58
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,032	264
Adjustments to tax charge in respect of prior years	(461)	13
Deferred tax not recognised	279	(26)
Short term timing differences	33	(4)
Timing differences in relation to the share of associates tax	(35)	(13)
<b>Current tax charge for the year</b>	<u>522</u>	<u>1,348</u>

The Corporation Tax main rate will be set at 17% from 1 April 2020. As the changes have not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £4,258,000 (2017 – profit of £2,371,000)

## 13. Intangible fixed assets

Group	Goodwill relating to subsidiaries £000	Goodwill relating to associates £000	Total £000
<b>Cost</b>			
At 1 April 2017	9,971	11,479	21,450
Additions	-	-	-
<b>At 31 March 2018</b>	<b>9,971</b>	<b>11,479</b>	<b>21,450</b>
<b>Amortisation</b>			
At 1 April 2017	1,651	3,544	5,195
Charge for the year	834	631	1,465
Impairment	3,966	-	3,966
<b>At 31 March 2018</b>	<b>6,451</b>	<b>4,175</b>	<b>10,626</b>
<b>Net book value</b>			
At 31 March 2018	<u>3,520</u>	<u>7,304</u>	<u>10,824</u>
At 31 March 2017	<u>8,320</u>	<u>7,935</u>	<u>16,255</u>

Goodwill arising on the acquisition of subsidiaries and associates of the Group is being amortised evenly over the directors' estimate of its useful life of 10 to 20 years. This useful economic life has been deemed the period over which the directors expect economic benefits will flow to the Group from their investments. Amortisation is included within administration expenses.

## Notes to the Financial Statements

For the year ended 31 March 2018

### 14. Tangible fixed assets

	Leasehold property	Plant & machinery	Assets under construction	Total
Group	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 April 2017	11,617	20,087	1,920	33,624
Additions	2,935	493	-	3,428
Disposals	(145)	(170)	-	(315)
Transfer	1,920	-	(1,920)	-
<b>At 31 March 2018</b>	<b>16,327</b>	<b>20,410</b>	<b>-</b>	<b>36,737</b>
<b>Depreciation</b>				
At 1 April 2017	7,657	8,748	-	16,405
Charge for the year	524	2,585	-	3,109
On disposals	-	(158)	-	(158)
<b>At 31 March 2018</b>	<b>8,181</b>	<b>11,175</b>	<b>-</b>	<b>19,356</b>
<b>Net book value</b>				
<b>At 31 March 2018</b>	<b>8,146</b>	<b>9,235</b>	<b>-</b>	<b>17,381</b>
At 31 March 2017	3,960	11,339	1,920	17,219

# Notes to the Financial Statements

For the year ended 31 March 2018

## 14. Tangible fixed assets (continued)

Company	Leasehold improvements £'000	Plant & machinery £'000	Assets under construction £'000	Total £'000
<b>Cost</b>				
At 1 April 2017	10,850	12,060	1,920	24,830
Additions	2,757	48	-	2,805
Transfer	1,920	-	(1,920)	-
<b>At 31 March 2018</b>	<b>15,527</b>	<b>12,108</b>	<b>-</b>	<b>27,635</b>
<b>Depreciation</b>				
At 1 April 2017	6,944	4,907	-	11,851
Charge	600	1,556	-	2,156
<b>At 31 March 2018</b>	<b>7,544</b>	<b>6,463</b>	<b>-</b>	<b>14,007</b>
<b>Net book value</b>				
<b>At 31 March 2018</b>	<b>7,983</b>	<b>5,645</b>	<b>-</b>	<b>13,628</b>
At 30 March 2017	3,906	7,153	1,920	12,979

Depreciation is included within administrative expenses.

Included within the Group net book values above are amounts relating to assets held under finance leases:

	2018 £'000	2017 £'000
Plant and machinery	5,523	7,084

The depreciation charged to the financial statements in each year in respect of such assets amounted to:

	2018 £'000	2017 £'000
Plant and machinery	1,550	2,225

# Notes to the Financial Statements

For the year ended 31 March 2018

## 15. Investments

Group	Investments in associates £'000	Listed investment £'000	Investment properties £'000	Unlisted investments £'000	Total £'000
<b>Cost</b>					
At 1 April 2017	6,070	700	11,224	3,255	21,249
Additions	-	-	-	300	300
Dividend	(3,098)	-	-	-	(3,098)
Revaluation	-	-	5,816	-	5,816
Share of profit	4,393	-	-	-	4,393
<b>At 31 March 2018</b>	<b>7,365</b>	<b>700</b>	<b>17,040</b>	<b>3,555</b>	<b>28,660</b>
<b>Impairment</b>					
At 1 April 2017	-	-	-	-	-
Charge for the year	-	-	-	2,040	2,040
<b>At 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,040</b>	<b>2,040</b>
<b>Net book value</b>					
<b>At 31 March 2018</b>	<b>7,365</b>	<b>700</b>	<b>17,040</b>	<b>1,515</b>	<b>26,620</b>
At 30 March 2017	6,070	700	11,224	3,255	21,249

Included with unlisted investments are acquisitions in relation to Blue Inc (UK) Limited.

Listed investments relate to a minority shareholding in Character Group plc. The cost of the listed investments at 31 March 2018 was £699,737 (2017 - £699,737). The value of the listed investment as determined by the share price on the London Stock Exchange at the reporting date was £966,811. Due to the limited trading of the shares the directors do not deem there to be an active market for the investment, therefore its fair value cannot be measured reliably in this manner.

The investments in associates are held at the value of the consideration paid on acquisition and subsequently adjusted to reflect the group's share of their profit or loss.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 15. Investments (continued)

### Subsidiary undertakings

The Group held ordinary shares in the following subsidiary undertakings, all of which are incorporated in England & Wales except Expo Global Distribution Centre (Pte.) Limited which is incorporated in Singapore.

Name	Principal activities	Holding
Uniserve Limited	Freight forwarding	100%
Uniserve (UK) Limited	Freight forwarding	100%
Uniserve (Air Freight) Limited	Freight forwarding	100%
Uniserve (Europe) Limited	Freight forwarding	100%
Uniserve (Scotland) Limited	Freight forwarding	100%
Customs Insights Consultancy Limited	Customs clearance service	100%
Kelleher Forwarding Limited	Dormant	100%
Eurotrade Fulfilment Limited	Disposal of redundant stock and recycling products back to source	100%
Ocean Gateway LLP	Property investment	99%
Ocean Gateway (2) LLP	Property investment	99%
Wilgo Freight Holdings Limited	Dormant holding company	100%
Uniserve Drinks Logistics Limited	Freight forwarding	100%
Pelican Two Limited	Dormant	100%
Supply Chain Academy Limited	Training academy	100%
Grand Event Holdings Limited	Holding company	75%
Saville's Catering Limited (held indirectly)	Catering	75%
Cromwell manor Functions Limited (held indirectly)	Function suite	75%
Portall Solutions Limited	Provision of supply chain solutions	100%
London Stansted Cargo Limited	Air transport freight, warehousing and storage	100%
Zenith Logistics Services (UK) Limited	Freight transport by road	100%
Expo Global Distribution Centre (Pte.) Limited	Freight forwarding	100%
James Kemball Limited	Freight transport by road	100%

Grand Events Holdings Limited (and its subsidiary undertakings), Eurotrade Fulfilment Limited, Kelleher Forwarding Ltd, Saville's Catering Limited, Cromwell Manor Functions Limited, Portall Solutions Limited, London Stansted Cargo Limited, and Supply Chain Academy Limited have been excluded from consolidation as in the opinion of the Directors the figures contained within their accounts are not material.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 15. Investments (continued)

### Associate undertakings

Company name	Country	Holding	Percentage shareholding	Description
Metro Global Holdings Limited	England and Wales	Ordinary	50%	Shipping and forwarding agents
Seafast Holdings Limited	England and Wales	Ordinary	50%	Shipping and forwarding agents
Asia UK Property Fund LLP	England and Wales	Ordinary	50%	Property investment

The aggregate of the share capital and reserves as at 31 March 2018 and of the profit or loss for the year ended on that date for the associate undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Metro Global Holdings Limited	8,692	5,905
Seafast Holdings Limited	3,187	124
Asia UK Property Fund LLP	7,448	633

Company	Investment in subsidiary companies £'000	Listed investments £'000	Investment in associate £'000	Unlisted investments £'000	Total £'000
<b>Cost</b>					
At 1 April 2017	19,428	700	9,687	6,913	36,728
Additions	-	-	-	300	300
<b>At 31 March 2018</b>	<b>19,428</b>	<b>700</b>	<b>9,687</b>	<b>7,213</b>	<b>37,028</b>
<b>Impairment</b>					
At 1 April 2017	62	-	150	-	212
Charge for the year	1,105	-	-	2,040	3,145
<b>At 31 March 2018</b>	<b>1,167</b>	<b>-</b>	<b>150</b>	<b>2,040</b>	<b>3,357</b>
<b>Net book value</b>					
<b>At 31 March 2018</b>	<b>18,261</b>	<b>700</b>	<b>9,537</b>	<b>5,173</b>	<b>33,671</b>
At 30 March 2017	19,366	700	9,537	6,913	36,516

# Notes to the Financial Statements

For the year ended 31 March 2018

## 16. Debtors

	Group		Company	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
<b>Due after more than one year</b>				
Loan to Employee Benefit Trust	4,846	4,672	4,846	4,672
Amounts owed by related undertakings	5,042	5,042	5,042	5,042
<b>Due within one year</b>				
Trade debtors	26,181	21,246	261	479
Amounts owed by associate	5,726	3,500	3,000	3,500
Amounts owed by related parties	3,152	3,883	-	2,317
Amounts owed by group	-	-	7,527	-
Other debtors	3,632	3,263	2,560	1,925
Corporation tax	125	-	-	53
Prepayments and accrued income	5,934	7,165	2,372	3,237
	<u>54,638</u>	<u>48,771</u>	<u>25,608</u>	<u>21,225</u>

## 17. Current assets investments

	Group		Company	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Current asset investments	<u>6,222</u>	<u>6,822</u>	<u>-</u>	<u>-</u>

All current asset investments are bonds.

## 18. Creditors: Amounts falling due within one year

	Group		Company	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trade creditors	20,358	14,849	1,707	1,193
Amounts owed to group undertakings	-	-	69,413	63,636
Amounts owed to related parties	-	390	-	-
Corporation tax	-	424	-	-
Other creditors	4,038	4,114	293	139
Finance lease liability (note 24)	2,564	2,640	1,769	1,769
Accruals and deferred income	21,427	12,505	575	1,592
	<u>48,387</u>	<u>34,922</u>	<u>73,757</u>	<u>68,329</u>



# Notes to the Financial Statements

For the year ended 31 March 2018

## 19. Creditors: Amounts falling due after more than one year

	Group		Company	
	2018 £'000	2017 £000	2018 £'000	2017 £000
Other creditors	543	780	-	-
Bank loans	4,727	-	4,727	-
Finance lease liability (note 24)	3,975	6,329	3,720	5,280
	<u>9,245</u>	<u>7,109</u>	<u>8,447</u>	<u>5,280</u>

## 20. Deferred taxation

	Group		Company	
	2018 £'000	2017 £000	2018 £'000	2017 £000
At beginning of year	(26)	(30)	-	-
Charge for the year	<u>(6)</u>	<u>4</u>	<u>-</u>	<u>-</u>
At end of the year	<u>(32)</u>	<u>(26)</u>	<u>-</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	Group		Company	
	2018 £'000	2017 £000	2018 £'000	2017 £000
Accelerated capital allowances	(32)	(26)	-	-
At end of the year	<u>(32)</u>	<u>(26)</u>	<u>-</u>	<u>-</u>

## 21. Provision for liabilities

	Group		Company	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Provisions	<u>93</u>	<u>93</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements

For the year ended 31 March 2018

## 22. Share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid		
99,994 Ordinary shares of £1 each	100	100
6 Ordinary B shares of £1 each	-	-
	<u>100</u>	<u>100</u>

Share capital represents the nominal value of shares issued. Both classes of share rank pari passu in regard to voting and capital distribution (including on winding up) rights. The Directors may declare dividends on the two classes separately. They do not confer any rights of redemption.

## 23. Reserves

### Profit and loss account

Includes all current and prior period retained profits and losses.

### Revaluation reserve

Gains/losses arising on the revaluation of the Group's property, plant and equipment. This reserve is not a distributable reserve

## 24. Leasing arrangements

### Finance Leases

The Group's obligations under finance leases are secured by the lessors' title to the leased assets.

Finance lease liabilities minimum lease payments:

	2018 £'000	2017 £'000
Not later than one year	2,564	2,640
Later than one year and not later than five years	3,975	6,111
Greater than five years	-	218
	<u>6,539</u>	<u>8,969</u>

Finance lease liabilities are secured by the related assets held under finance leases (see note 14). The lease agreements generally include fixed lease payments, with interest charged evenly over the term of the arrangement. There is an option to purchase the assets at the end of the lease term.

# Notes to the Financial Statements

For the year ended 31 March 2018

## 25. Financial risk management

### Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

### Foreign currency risk

The Group purchases services from overseas companies. The Group manages foreign currency risk by reviewing its exposures and passing on the risk to their ultimate customers.

### Credit risk

The Group trades with only recognised, creditworthy third parties. It is the Group policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

## 26. Financial instruments

Group	Group 2018 £'000	Group 2017 £'000	Company 2018 £'000	Company 2017 £'000
Financial assets measured at amortised cost	64,360	54,497	25,668	18,217
Financial liabilities measured at amortised cost	(57,632)	(40,321)	(82,204)	(63,523)

Financial assets are measured at amortised cost comprise cash and cash equivalents, current asset investments, loans to employee benefit trust, trade debtors, other debtors and amounts owed by group undertakings, related parties and associates.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors, accrued liabilities and finance lease liabilities.

## Notes to the Financial Statements

For the year ended 31 March 2018

### 28. Related party transactions

The Company has taken advantage of the exemption conferred by FRS 102 (33.1A) not to disclose transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

The total remuneration of key management personnel in the reporting period was £977,247.

A rent of £143,500 (2017: £143,500) was charged to the Group by the self-administered pension scheme in respect of land owned by the scheme but used by the Group.

A rent of £175,000 (2017: £175,000) was charged to the Group by the Uniserve group Funded Unapproved Retirement Scheme (FURBS) in respect of land owned by the scheme but used by the Group.

Included in debtors are:

- A loan of £3,875,520 (2017: £3,779,520) to Uniserve Group Funded Unapproved Retirement Scheme (FURBS). Accumulated interest charged in respect of this loan amounts to £1,475,520 (2017: £1,379,520). During the year interest of £96,000 (2017: £96,000) was charged in respect of this loan. Mr I R Liddell is a trustee of the FURBS.

- A loan of £4,486,036 (2017: £4,672,036) to Uniserve Employee Benefit Trust. Accumulated interest charged in respect of this loan amounts to £1,946,036 (2017: £1,772,036). During the year interest of £174,000 (2017: £174,000) was charged in respect of this loan.

- A dividend receivable of £3,000,000 (2017: £3,500,000) from the associated undertaking, Metro Global Holdings Limited. Mr I R Liddell is a director of Metro Global Holdings Limited.

A balance owed by Metro Shipping Limited, a subsidiary of Metro Global Holdings Limited, of £54,811 (2017: £5,017). Of this amount £4,005 (2017: £nil) is owed to Uniserve Holdings Limited. During the year the Group purchased services amounting to £nil (2017: £nil) from this company, and made sales of £50,050 (2017: £43,356) to this company. Sales of £nil (2017: £nil) during the year were by Uniserve Holdings Limited and £nil (2017: £nil) purchases were made by Uniserve Holdings Limited during the year. Mr I R Liddell is a director of Metro Shipping Limited and its parent company, Metro Global Holdings Limited, is 50% owned by the Uniserve Holdings Limited group.

- A balance owed by London Stansted Cargo Limited of £418,722 (2017: £432,362). The largest component of this amount is £610,840 (2017: £610,840) owed to Uniserve Holdings Limited. During the year the Group purchased services amounting to £nil (2017: £nil) from this company, and made sales of £nil (2017: £nil) to this company. Sales of £nil (2017: £nil) during the year were by Uniserve Holdings Limited and £nil (2017: £nil) purchases were made by Uniserve Holdings Limited during the year. Mr I R Liddell is a director and shareholder of London Stansted Cargo Limited.

- A balance owed by YCT Limited of £nil (2017: £1,204,891). During the year the Group purchased services amounting to £nil (2017: £nil) from this company, and made sales of £nil (2017: £nil) to this company. Sales of £nil (2017: £nil) during the year were made by Uniserve Holdings Limited and £nil (2017: £nil) purchases were made by Uniserve Holdings Limited during the year.

## Notes to the Financial Statements

For the year ended 31 March 2018

### 28. Related party transactions (continued)

- A balance owed to Uniserve (Ireland) Limited of £114,329 (2017: £125,933) relating to management charges. The largest component of this amount is £162,968 (2017: £154,676) owed by Uniserve Holdings Limited. During the year the Group purchased services amounting to £67 (2017: £1,378) from this company, and made sales of £13,226 (2017: £Nil) to this company. Sales of £nil (2017: £ nil) during the year were management charges from Uniserve Holdings Limited and £nil (2017: £ nil) purchases were made by Uniserve Holdings Limited during the year. Mr I R Liddell is a director and shareholder of Uniserve (Ireland) Limited.

- A balance of £1,396,050 (2017: £250,466) due from Mr I R Liddell. This balance is owed to the Group and is comprised of the following amounts; due from Uniserve (UK) Limited £163,293 (2017: £757,608), due to Uniserve Holdings Limited £1,449,760. Included in creditors is a balance of £6,303 (2017: £371,002) due to Mr I R Liddell. A rent of £209,014 (2017: £209,014) was charged to Uniserve Holdings Limited by Mr I R Liddell.

- A balance of £79,073 (2017: £117,234) is due to Uniocean Lines Limited. Of this amount £8,940 (2017: £7,440) is owed to Uniserve Holdings Limited. Mr I R Liddell is a director and shareholder of Uniocean Lines Limited.

- A balance of £86,584 (2017: £86,584) due from Tianjin Global Administration Limited. Of this amount £86,584 (2017: £86,584) is owed to Uniserve Holdings Limited.

- A balance of £230,060 (2017: £289,222) due from One World Logistics Limited. The largest component of this amount is due to Uniserve Holdings Limited being £230,060 (2017: £217,987).

- A balance of £128,426 (2017: £128,426) due from Commercial Platforms International Limited. All of this balance is owed to Uniserve Holdings Limited.

- A balance of £287,870 (2017: £373,885) due from Cromwell Manor Functions Limited, a subsidiary that is not consolidated. During the year Uniserve Holdings Limited made purchases of £nil (2017: £nil) from this company, and made sales of £ nil (2017: £ nil) to this company.

- A balance of £38,139 (2017: £3,709) due from Saville's Catering Limited, a subsidiary that is not consolidated. During the year Uniserve Holdings Limited made purchases of £nil (2017: £nil) from this company.

- A balance of £11,640 (2017: £11,040) due from Birmingham Business Park Properties LLP, owed to Uniserve Holdings Limited. Uniserve Holdings Limited made purchases of £nil (2017: £nil) from the Company. Birmingham Business Park Properties LLP is a related party due to the common shareholder Mr I R Liddell.

- A balance of £940,581 (2017: £577,538) due from Supply Chain Academy Limited, a subsidiary that is not consolidated. The largest component of this amount is £974,131 (2017: £581,562) owed to Uniserve Holdings Limited.

## Notes to the Financial Statements

For the year ended 31 March 2018

### **28. Related party transactions (continued)**

Included in creditors are:

- A balance of £118,061 (2017: £197,000) due to Eurotrade Fulfilment Limited, a subsidiary that is not consolidated.

- A balance of £178,721 (2017: £49,646) due to Grand Events Holdings Limited, a 75% owned subsidiary of the Group that is not consolidated. During the year Uniserve Holdings Limited made purchases of £6,940 (2017: £2,528) from this company.

### **29. Controlling party**

I R Liddell is the ultimate controlling party of the Group, by virtue of his shareholding.