

Woodland Logistics Limited

Annual report and financial
statements

Registered number 05151477

31 December 2018



Woodland Logistics Limited

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Woodland Logistics Limited

Company Information
for the year ended 31 December 2018

Directors

K G Stevens
S S Kirby
J P Stubbings

Secretary:

J P Stubbings

Auditor

RSM UK Audit LLP
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY

Bankers

National Westminster Bank plc
46 High Street
Brentwood
Essex
CM14 4AL

Registered Office

Arlington House
West Station Business Park
Spital Road
Maldon
Essex
CM9 6FF

Registered Number

05151477

Woodland Logistics Limited

Strategic Report for the year ended 31 December 2018

Strategic report

The Directors present their Strategic report prepared in accordance with the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013.

Principal activities, trading review and developments

The company's principal activity during the year continued to be contract logistics.

During the year revenue was £21,838,923 (2017 - £17,960,147) representing an increase following the successful start to new contracts. Profit before tax increased during the year to £539,912 (2017 - £408,552)

During this period, the gross margin decreased marginally to 23.9% (2017 - 24.3%) as the new contracts took effect at lower margins, with operating profit margin remaining similar at 3.2% (2017 - 2.6%).

The company continues to have a strong balance sheet with net assets standing at £3,441,041 at 31 December 2018 (2017 - £2,979,658). During the year the company invested £2,878,929 in new motor vehicles and other assets following several key contracts with most of these funded by way of finance leases.

Future Developments

2019 has started with a number of tenders for new business reflecting the success in the company's operations and capabilities.

Risks and uncertainties

The Directors have taken steps over the last few years to minimise the impact on the business of risks which had previously been identified. Regular risk interviews are undertaken in order that management can deal with any issues as they arise.

Liquidity risks

The company manages its cash and borrowings requirements centrally to maximise interest income and minimise interest expense, whilst ensuring that the company has sufficient liquid resources to meet the operating needs to its business.

Credit Risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balance and credit limits are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

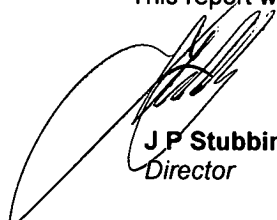
Key performance indicators

The company's key performance indicators are Turnover, Gross Profit and Profit Before Tax, all of which are stated above.

Registered Office

The company continues to be registered in England and on 9th July 2019 the directors changed their registered office address to Arlington House, West Station Business Park, Spital Road, Maldon, Essex CM9 6FF.

This report was approved by order of the board on 12 September 2019.



J P Stubbings
Director

Arlington House
West Station Business Park
Spital Road
Maldon, Essex
CM9 6FF
05151477

Woodland Logistics Limited

Directors' Report for the year ended 31 December 2018

Directors' report

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

The directors of the company during the year and through to the date of the report were

Mr K G Stevens
Mr S S Kirby
Mr J P Stubbings

Qualifying third party indemnity provision

The company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

The directors have chosen, in accordance with section 414c(11) of the Companies Act 2006 to include the strategic report matters otherwise required to be disclosed in the directors' report as the directors consider these to be of strategic importance to the company.

This report was approved by the Board on 12 September 2019.



J P Stubbings
Director

Arlington House
West Station Business Park
Spital Road
Maldon, Essex
CM9 6FF

Woodland Logistics Limited

Statement of directors' responsibilities for the year ended 31 December 2018

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS101").

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 their profit or loss for that period. In preparing their financial statements, the directors are required to:

- select suitable policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Woodland Logistics Limited

Independent Auditor's Report for the year ended 31 December 2018

Opinion

We have audited the financial statements of Woodland Logistics Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, balance sheet, statement of changes in equity 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 FRS101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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.

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 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.

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 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 directors' report and the strategic report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report has been prepared in accordance with applicable legal requirements.

Woodland Logistics Limited

Independent Auditor's Report (continued) for the year ended 31 December 2018

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report.

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, 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of Our Report

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.

RSM UK Audit LLP

Paul Anthony (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Highfield Court, Tollgate
Chandlers Ford, Eastleigh
Hampshire, SO53 3TY

20 September 2019.

Woodland Logistics Limited

Profit and loss account for the year ended 31 December 2018

	<i>Note</i>	2018 £	2017 £
Turnover	2	21,838,923	17,960,147
Cost of sales		(16,611,127)	(13,591,173)
Gross profit		5,227,796	4,368,974
Administrative expenses		(4,513,498)	(3,881,785)
Other operating expenses		(25,216)	(12,523)
Operating profit	5	689,082	474,666
(Loss)/Profit on disposal of fixed assets		(3,725)	259
Interest receivable	6	275	-
Interest payable	7	(145,720)	(66,373)
Profit before taxation		539,912	408,552
Taxation	8	(78,529)	(109,356)
Profit for the financial year		461,383	299,196

The company has no other items of comprehensive income and as such the Statement of Comprehensive Income for the year agrees to the profit for the year.

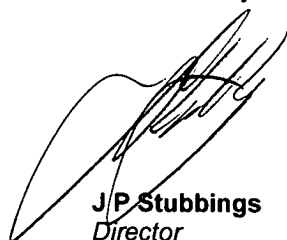
The accompanying notes on pages 10 to 20 form part of these financial statements.

Woodland Logistics Limited

Balance sheet as at 31 December 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Intangible assets	9		325,630		-
Tangible assets	10		7,704,588		5,936,444
Investments	11		42,200		367,830
			<u>8,072,418</u>		<u>6,304,274</u>
Current assets					
Stocks	12	127,019		115,543	
Debtors	13	6,450,757		5,911,441	
Cash at bank and in hand		23,280		1,765	
		<u>6,601,056</u>		<u>6,028,749</u>	
Creditors: amounts falling due within one year	14	(6,353,802)		(5,137,843)	
Net current assets			<u>247,254</u>		<u>890,906</u>
Total assets less current liabilities			<u>8,319,672</u>		<u>7,195,180</u>
Creditors: amounts falling due after more than one year	15	(4,641,466)		(3,993,863)	
Deferred tax liability	16	(237,165)		(221,659)	
Net assets			<u>3,441,041</u>		<u>2,979,658</u>
Capital and reserves					
Called up share capital	17	50,000		50,000	
Profit and loss account	18	3,391,041		2,929,658	
Shareholders' funds			<u>3,441,041</u>		<u>2,979,658</u>

These financial statements were approved by the board of directors on 12 September 2019 and were signed on their behalf by:



J.P. Stubbings
Director

Company registered number: 05151477

The accompanying notes on pages 10 to 20 form part of these financial statements.

Woodland Logistics Limited

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital	Profit and loss account	Shareholders' funds
<i>Prior year</i>	£	£	£
Balance at 1 January 2017	50,000	2,630,462	2,680,462
Profit for the year	-	299,196	299,196
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	50,000	2,929,658	2,979,658
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Current year</i>	£	£	£
Balance at 1 January 2018	50,000	2,929,658	2,979,658
Profit for the year		461,383	461,383
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	50,000	3,391,041	3,441,041
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes on pages 10 to 20 form part of these financial statements.

Woodland Logistics Limited

Notes to the financial statements for the year ended 31 December 2018

1 Accounting policies

Woodland Logistics Limited (the "Company") is a private limited company limited by shares incorporated and domiciled in England. Its registered office is Arlington House, West Station Business Park, Spital Road, Maldon, Essex, CM9 6FF.

The Company is exempt under part 15 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Woodland Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Woodland Group Limited are prepared in accordance with International Financial Reporting Standards (as adopted by the EU) and are available to the public and may be obtained from Arlington House, West Station Business Park, Spital Road, Maldon, Essex, CM9 6FF

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The requirement to publish a cash flow statement and related notes;
- The requirement to disclose the future impact of new but not yet effective IFRSs;
- The requirement to disclose compensation for key management between short term employee benefits, post-employment benefits and other long-term benefits.
- Disclosure of the categories of financial instrument and nature and extent of risks arising on these financial instruments;
- Disclosure of the objectives, policies and processes for managing capital;
- Comparative period reconciliations for share capital, tangible fixed asset and investments.

These financial statements are presented in sterling, which is the group's functional currency. All financial information has been rounded to the nearest £1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

The directors consider the company has adequate resources to continue operational existence for foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Related Parties

As the company is a wholly owned subsidiary of Woodland Group Limited, the company has taken advantage of the exemption contained in FRS 101 and it has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Turnover

Turnover represents amounts receivable for services supplied by the company once the service is delivered, net of value added tax and trade discounts. Turnover consists of transport and distribution services.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

1 Accounting policies (continued)

Intangible Fixed assets

Goodwill has arisen on the acquisition and subsequent transfer of trade of Courier Elite Limited. It is stated at cost less any amounts provided for diminution in value. The directors regularly review this for any impairment.

Tangible Fixed assets

All tangible fixed assets are initially recorded at cost and thereafter at cost or valuation, net of depreciation.

Depreciation

Depreciation has been provided to write off the cost or valuation, less estimated residual values of all tangible fixed assets, except for freehold land and buildings, over their expected useful lives. It is calculated at the following rates.

Land and buildings	-	Over the term of the underlying lease, Freehold land not depreciated.
Plant and machinery, fixtures and fittings	-	25% straight line or 33.3% straight line
Motor vehicles	-	25% straight line or over the term of the lease

Stock

Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Leased Assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balances of capital repayments outstanding. The capital element reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Taxation

Current tax, including corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rate which are expected to apply in the periods when the timing differences will reverse. The recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Pension costs

The company operates a defined contribution scheme. Contributions to the scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

1 Accounting policies (continued)

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Critical accounting estimates and judgements

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.

Useful economic life of fixed assets is reviewed by the directors having regard to the primary lease term for those assets financed by finance leases and the type of assets for owned assets. The residual values of all assets are regularly assessed by the directors.

Leases are classified by the directors having regard to whether the lease grants rights approximating to ownership (finance leases). If so the asset is capitalised and depreciated.

2 Turnover

All the company's turnover for 2018 and 2017 was generated within the United Kingdom and related to its contract logistics business.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

3 Employees

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

	2018 Number	2017 Number
Distribution	148	124
Administration and Management	38	38
	<u>186</u>	<u>162</u>
	2018 £	2017 £
Staff costs consist of:		
Wages and salaries	6,181,735	4,883,702
Social security costs	594,142	507,090
Other pension costs	70,025	64,801
	<u>6,845,902</u>	<u>5,455,593</u>

4 Directors remuneration

	2018 £	2017 £
Directors' remuneration	<u>156,525</u>	<u>275,341</u>
	2018 £	2017 £
Total remuneration of highest paid Director	<u>156,525</u>	<u>275,341</u>

Two directors have been remunerated through fellow group companies. There was 1 director in the Company's defined contribution pension scheme during the year (2017 - 1). The amount contributed was £12,703 (2017 - £385).

5 Operating profit

	2018 £	2017 £
This is stated after charging/(crediting):		
Depreciation of owned fixed assets	108,554	41,500
Depreciation of assets held under finance leases and hire purchase contracts	956,006	366,859
Operating lease rentals – plant and machinery	861,125	1,148,624
Operating lease rentals – land and buildings	167,773	74,906
Hire of equipment	452,279	366,761
(Profit)/Loss on disposal of fixed assets	3,725	(259)
Auditor's remuneration - Audit	22,272	24,006
Cost of stocks recognised as an expense	<u>4,188,121</u>	<u>2,917,813</u>

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

6 Interest receivable

	2018 £	2017 £
Other	275	-
	<u>275</u>	<u>-</u>

7 Interest payable

	2018 £	2017 £
Interest payable on finance leases	145,720	65,773
Other	-	600
	<u>145,720</u>	<u>66,373</u>

8 Taxation

Recognised in the profit and loss account

	2018 £	2017 £
<i>UK Corporation tax</i>		
Current tax on profit of the year	41,192	(21,862)
Adjustment in respect of prior periods	21,831	(1,512)
	<u>63,023</u>	<u>(23,374)</u>
Total current tax	63,023	(23,374)
<i>Deferred tax</i>		
Origination and reversal of timing differences	65,408	132,121
Adjustments in respect of prior periods	(49,902)	609
	<u>15,506</u>	<u>132,730</u>
Total deferred tax	15,506	132,730
Taxation	<u>78,529</u>	<u>109,356</u>
Reconciliation of effective tax rate		
Profit for the year	461,383	299,196
Total tax expenses	78,529	109,356
	<u>539,912</u>	<u>408,552</u>
Profit before taxation	539,912	408,552
Tax using the UK corporation tax rate of 19% (2017:19.25%)	102,583	78,646
Expenses not deductible for tax purposes	11,712	31,613
Corporation tax adjustments relating to previous periods	(28,071)	(903)
Deferred tax adjustments	(7,695)	-
	<u>78,529</u>	<u>109,356</u>
Total tax expense	78,529	109,356

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

Following the enactment of Finance Act 2015 the main rate of corporation tax will reduce by 2%, reaching 17% with effect from 1 April 2020. As this change was substantively enacted at the balance sheet date and no material amount is expected to unwind prior to 1 April 2020, deferred tax is recognised at 17% in the current year.

9 Intangible fixed assets

	2018 £	2017 £
Goodwill	325,630	-

The goodwill arose on the hive-up of the trade, assets and undertaking of Courier Elite which happened on the 1st July 2017. The Directors now consider the investment in Courier Elite to be more fairly represented as Goodwill rather than investments.

The recoverable amount has been calculated with reference to its value in use, estimated based on the discounted future cash flows for the cash generating unit.

The key assumptions used in the estimation of the recoverable amount are:

- Discount rate 6%
- Risk free interest rate 1%
- Terminal value growth rate 2.25%

All the assumptions are made based on management's assessment of what judgements a market participant would make. The cashflow projections include specific estimates for two years of budgeted EBITDA and a terminal growth rate thereafter. Budgeted EBITDA was estimated taking into account past experience and adjusted for the future business plan and expected changes in the market place and cost base. The estimated recoverable amount of the Courier Elite trade exceeds its carrying amount. Management have not identified any reasonable possibility that changes in the assumptions used would cause an impairment. Management have therefore not impaired the assets. There is at least 10% headroom on each of management's impairment models.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

10 Tangible fixed assets

	Land and buildings	Plant, Equipment, Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2018	121,836	418,872	7,400,049	7,940,757
Additions	-	209,224	2,669,705	2,878,929
Disposals	-	-	(254,371)	(254,371)
At 31 December 2018	121,836	628,096	9,815,383	10,565,315
Depreciation				
At 1 January 2018	2,165	301,105	1,701,043	2,004,313
Charge for year	-	67,099	997,461	1,064,560
On disposals	-	-	(208,146)	(208,146)
At 31 December 2018	2,165	368,204	2,490,358	2,860,727
Net book value				
At 31 December 2018	119,671	259,892	7,325,025	7,704,588
At 31 December 2017	119,671	117,767	5,699,006	5,936,444
			2018	2017
			£	£
Net book value of plant and machinery and motor vehicles included above held under finance leases and hire purchase contracts			7,177,353	5,589,163

The depreciation charge on leased assets was £956,006 (2017 £366,859).

The Land and buildings relates to one property held under a long leasehold.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

11 Investments

	Shares in subsidiary undertakings £000
Cost	
At 1 January 2018	367,830
Transfer to Goodwill	(325,630)
	<hr/>
At 31 December 2018	42,200
	<hr/>
Net book value	
At 31 December 2018	42,200
	<hr/>
At 31 December 2017	367,830
	<hr/>

Company	Principal activity	Country of registration or incorporation	Shares held Class	%
Subsidiary Undertakings				
Courier Elite Limited*	Dormant	England and Wales	Ordinary	100

*The Company's subsidiary has its registered office at Arlington House, Spital Road, Maldon, Essex CM9 6FF.

12 Stocks

	2018 £	2017 £
Raw materials and consumables	127,019	115,543
	<hr/>	<hr/>

13 Debtors

	2018 £	2017 £
Trade debtors	5,244,377	3,851,124
Amount owed by group undertakings	197,797	305,815
Corporation Tax	-	46,820
Other debtors	444,505	662,671
Director's loan account	620	300
Prepayments and accrued income	563,458	1,044,711
	<hr/>	<hr/>
	6,450,757	5,911,441
	<hr/>	<hr/>

Included in trade debtors above is a bad debt provision of £16,914 (2017: £Nil) created in the year in respect of doubtful debts.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank Overdraft	973,028	177,523
Obligations under finance leases and hire purchase contracts (see note 13)	1,739,686	1,731,732
Trade creditors	2,038,540	2,042,054
Amounts owed to group undertakings	201,593	689,252
Other taxes and social security costs	686,773	130,518
Other creditors	297,206	133,999
Corporation tax	41,192	-
Accruals	375,784	232,765
	<u>6,353,802</u>	<u>5,137,843</u>

The bank overdraft is an invoice discount facility secured on the trade debtors of the company under full recourse which amounted to £5,151,149 at the year end. Finance leases and hire purchase obligations are secured over the assets to which they relate.

15 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Obligations under finance lease and hire purchase contracts	4,641,466	3,993,863

Finance leases and hire purchase obligations are secured over the assets to which they relate. Future minimum lease payments due under finance leases:

	2018 £	2017 £
Within one year	1,883,950	1,854,199
Between one and five years	4,816,317	4,167,085
	<u>6,700,267</u>	<u>6,021,284</u>
Less future finance charges		
Within one year	(144,264)	(122,467)
Between one and five years	(174,851)	(173,222)
	<u>6,381,152</u>	<u>5,725,595</u>

16 Deferred tax liability

	2018 £	2017 £
At 1 January	221,659	49,283
Transfers in	-	39,646
Charged to the profit and loss for the year	15,506	132,730
	<u>237,165</u>	<u>221,659</u>
At 31 December	237,165	221,659

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

	2018 £	2017 £
Deferred tax liability is made up as follows:		
Difference between accumulated depreciation and capital allowances	242,525	224,353
Other timing differences	(5,360)	(2,694)
	<u>237,165</u>	<u>221,659</u>

The deferred tax liability expected to reverse over the next 12 months is £63,818.

17 Share capital

	2018 £	2017 £
<i>Allotted, called up and fully paid</i>		
50,000 Ordinary shares of £1 each	50,000	50,000

All shares rank equally with regards to voting rights, dividend rights and rights in any distributions made including winding up.

18 Reserves

Profit and Loss Account

Profit and Loss Account represents accumulated profits and losses net of distributions to owners.

19 Related parties

The related parties of Woodland Logistics Limited as defined by FRS 101, the nature of the relationship and the extent of the transactions with them are as follows:

Atlantic Pacific Global Logistics Limited, International Food Link Limited, Port Express Limited and FIPL Limited are related parties as Mr KG Stevens is a shareholder of each of these companies and is the majority shareholder of Woodland Group Limited, the ultimate parent company of Woodland Logistics Limited. Transactions with Atlantic Pacific Global Logistics Limited were sales of £32,174 (2017 - £21,169) with £6,126 (2017 - £6,075) outstanding at year end. Transactions with International Food Link Limited were purchases of £Nil (2017 - £nil). Transactions with Port Express Limited were purchases of £586 (2017 - £nil). Transactions with FIPL Limited were purchases of £nil (2017 - £nil).

L&G Techit is a related party as Mr KG Stevens is a shareholder of L&G Techit, and is the majority shareholder of Woodland Group Limited, the ultimate parent company of Woodland Logistics Limited. Furthermore, Mr SS Kirby is a shareholder of L&G Techit, and director of Woodland Logistics Limited. Amounts totalling £10,145 (2017: £50,560) were advanced to L&G Techit Limited during the year, with £365,255 (2017: £352,625) outstanding at the year end.

Woodland Logistics Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

20 Financial commitments, guarantees and contingent liabilities

The company has entered into an intercompany guarantee for banking facilities with certain fellow group and related party undertakings totalling £5,392,019 (2017 - £6,001,114) at the year end. This includes overdraft facilities of £1,500,000 (2017 -£1,500,000) which were undrawn at the year end.

The company has entered into an intercompany guarantee for VAT payments due with certain fellow group companies and the amount payable at the year end amounted to £108,821 (2017 - £Nil).

21 Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	Land and Building 2018 £	Other 2018 £	Land and Building 2017 £	Other 2017 £
Less than one year	192,771	723,430	37,800	453,744
Between two and five years	616,222	2,119,575	-	1,814,976
More than five years	-	184,024	-	-
	<u>808,993</u>	<u>3,027,029</u>	<u>37,800</u>	<u>2,268,720</u>

22 Transactions with Directors

The following Directors were issued loans during the year for personal use, none of which attract interest. The movements on these loans were as follows:

	Amount owed by Director		
	31 December 2018 £	31 December 2017 £	Maximum In year £
S S Kirby	<u>620</u>	<u>300</u>	<u>620</u>

23 Ultimate Controlling Party

At 31 December 2018, the company's ultimate parent was Woodland Group Limited which is incorporated in the UK. The immediate parent company is Woodland Global Limited.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Woodland Group Limited. Copies of the consolidated accounts can be obtained from Arlington House, Spital Road, Maldon, Essex, CM9 6FF.

Mr K G Stevens is this company's ultimate controlling party by virtue of his majority shareholding in the ultimate parent company.