

Company Registration No. 06793545 (England and Wales)

**EFM GLOBAL HOLDINGS LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

# EFM GLOBAL HOLDINGS LTD

## COMPANY INFORMATION

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<b>Directors</b>	M L Llewellyn	
	G Morter	(Appointed 31 July 2018)
	L Moss	(Appointed 1 April 2019)
	D Owen	(Appointed 1 April 2019)
<b>Company number</b>	06793545	
<b>Registered office</b>	Ibex House Baker Street Weybridge Surrey KT13 8AH	
<b>Auditor</b>	MGI Midgley Snelling LLP Ibex House Baker Street Weybridge Surrey KT13 8AH	
<b>Business address</b>	Unit 3 Alpha Way Thorpe Industrial Park Egham Surrey TW20 8RZ	

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# EFM GLOBAL HOLDINGS LTD

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# **EFM GLOBAL HOLDINGS LTD**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present the strategic report for the year ended 31 December 2018.

EFM Global Holdings Limited is the holding company of a group of companies whose principal activities are those of project freight management and storage. The group operates in six countries in four main geographical regions being the UK and Mainland Europe, North America, the Middle East and Australia.

#### **Review of business**

The results of the group for the year are shown in the Consolidated Profit and Loss Account on page 8.

Turnover from continuing operations increased in 2018 from £18.4m to £25.4m. The increase is mostly in relation to an increase in the volume of business undertaken in North America.

As a result, gross profit has increased from £5.8m in 2017 to £7.0m in 2018, although gross profit margin declined from 31.3% to 27.5%. There has been an increase in operating expenses of £1.15m, resulting in profit before taxation of £0.08m compared to a loss of £0.03m in the previous year.

At the year end, the group had net current assets of £1.2m (2017: £1.1m), including net cash balances of £1.5m (2017: £1.0m).

The group continues to be in a strong financial position, with total net assets of £1.1m (2017: £1.0m) at the year end.

#### **Principal risks and uncertainties**

The group operates in an environment that has a number of operational and financial risks. The key business risks affecting the group are considered to be competition from other businesses within the industry, employee retention and foreign currency risks.

Operational managers monitor the activities of competing companies on an ongoing basis and operational strategy is adapted at regular meetings of the Operating Boards, with action being taken to counter the activities of significant competitors as required.

Retention of key employees remains a priority of the business with emphasis being placed on consultation and communication with employees. The directors regularly monitor industry remuneration packages offered by competitors to ensure that key staff are employed on attractive terms and conditions.

#### **Foreign Currency Risk**

The group's principal foreign currency exposure arises from trading with overseas companies and in the foreign currency re-translation of group assets and liabilities denominated in non-Sterling currencies, which leaves the group exposed to currency exchange fluctuations at the balance sheet date.

The group actively hedges against adverse currency fluctuations by maintaining US Dollar, Australian Dollars, Dirham, and Euro bank accounts. The directors do not presently consider the risk of foreign exchange movements to be significant. However, the value of the group's net assets, when measured in its reporting currency of Sterling, will increase or decrease dependent on the exchange rates prevailing between Sterling, US Dollars, Australian Dollars, Dirhams, and Euros.

# EFM GLOBAL HOLDINGS LTD

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **Developments**

The group specialises in the arrangement and delivery of freight on a timely basis for its customers in music, sport, events, theatre, film, media and broadcasting, automotive and all sectors of the market requiring specialist freight services and by providing short-term storage facilities for those customers when required. The group continues to develop its global presence through the quality of its service on a worldwide basis and its ability to adapt quickly to the needs of its customers.

Through its commitment to training and the development of existing and new staff of the highest calibre, the group will continue to enhance its brand by increasing the range of services it provides and developing new market sectors that can benefit from specialist project freight management.

However, as for many businesses of similar size, the business environment remains challenging and the markets in which the group operates continue to be highly competitive. The group is however well placed to benefit from any increase in trading activity with North America, the Middle East and Australasia as Brexit unfolds and will be looking for further opportunities to expand its share of these markets and the range of its services. The group will also continue to maximise its growth in its existing markets and to offer the highest level of customer service that its reputation has been built on.

### **Key performance indicators**

The directors consider the key financial performance indicators of the group to be turnover, gross margin and staff costs. Turnover has increased by 38% to £25.4m (2017: £18.4m), although the gross margin, declined to 27.5% (2017: 31.3%), which is at the lower end of the Board's acceptable range. Meanwhile staff costs have increased by £0.7m and are now 61% of gross profit (2017: 61%).

On behalf of the board

M L Llewellyn

**Director**

17 June 2019

# EFM GLOBAL HOLDINGS LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

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The directors present their annual report and financial statements for the year ended 31 December 2018.

These financial statements consolidate the accounts of EFM Global Holdings Limited and all of its subsidiary undertakings. The results of subsidiaries acquired or disposed of during the year are included or excluded from the effective date of acquisition or disposal.

#### Principal activities

The principal activity of the company and group continued to be that of project freight management and storage.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M L Llewellyn	
G Morter	(Appointed 31 July 2018)
R Burlinson	(Resigned 31 July 2018)
L Moss	(Appointed 1 April 2019)
D Owen	(Appointed 1 April 2019)

#### Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### Auditor

The auditors, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

#### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 company will continue in business.

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

## **EFM GLOBAL HOLDINGS LTD**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

M L Llewellyn

**Director**

17 June 2019

# EFM GLOBAL HOLDINGS LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF EFM GLOBAL HOLDINGS LTD

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#### Opinion

We have audited the financial statements of EFM Global Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 FRS 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 the parent company's affairs as at 31 December 2018 and of the group's 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 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.

#### 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.



# **EFM GLOBAL HOLDINGS LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF EFM GLOBAL HOLDINGS LTD**

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

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

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

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 and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

#### **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.

## **EFM GLOBAL HOLDINGS LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EFM GLOBAL HOLDINGS LTD**

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#### **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.

**Tracey Wickens (Senior Statutory Auditor)  
for and on behalf of MGI Midgley Snelling LLP**

18 June 2019

**Chartered Accountants  
Statutory Auditor**

# EFM GLOBAL HOLDINGS LTD

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
<b>Turnover</b>	<b>3</b>	25,387,136	18,374,171
Cost of sales		(18,403,138)	(12,621,499)
<b>Gross profit</b>		6,983,998	5,752,672
Administrative expenses		(6,927,460)	(5,759,063)
Other operating income		9,098	-
<b>Operating profit/(loss)</b>	<b>4</b>	65,636	(6,391)
Interest receivable and similar income	<b>8</b>	27,112	5,833
Interest payable and similar expenses	<b>9</b>	(11,549)	(25,883)
<b>Profit/(loss) before taxation</b>		81,199	(26,441)
Tax on profit/(loss)	<b>10</b>	(58,042)	(172,859)
<b>Profit/(loss) for the financial year</b>		23,157	(199,300)
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		59,262	(251,850)
- Non-controlling interests		(36,105)	52,550
		23,157	(199,300)

## EFM GLOBAL HOLDINGS LTD

### GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Profit/(loss) for the year	23,157	(199,300)
Other comprehensive income		
Currency translation differences	(5,467)	(5,048)
Total comprehensive income for the year	<u>17,690</u>	<u>(204,348)</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	68,303	(242,243)
- Non-controlling interests	(50,613)	37,895
	<u>17,690</u>	<u>(204,348)</u>

# EFM GLOBAL HOLDINGS LTD

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	12		-		-
Tangible assets	13		236,432		257,564
			<u>236,432</u>		<u>257,564</u>
<b>Current assets</b>					
Stocks	17	563,063		190,162	
Debtors	18	5,286,043		3,306,166	
Cash at bank and in hand		1,558,394		1,014,157	
		<u>7,407,500</u>		<u>4,510,485</u>	
<b>Creditors: amounts falling due within one year</b>	19	(6,229,687)		(3,379,745)	
<b>Net current assets</b>			<u>1,177,813</u>		<u>1,130,740</u>
<b>Total assets less current liabilities</b>			1,414,245		1,388,304
<b>Creditors: amounts falling due after more than one year</b>	20		(210,482)		(214,237)
<b>Provisions for liabilities</b>	23		(138,795)		(126,789)
<b>Net assets</b>			<u>1,064,968</u>		<u>1,047,278</u>
<b>Capital and reserves</b>					
Called up share capital	26		100,000		100,000
Other reserves			2,170		2,170
Profit and loss reserves			558,054		489,751
<b>Equity attributable to owners of the parent company</b>			<u>660,224</u>		<u>591,921</u>
<b>Non-controlling interests</b>			404,744		455,357
			<u>1,064,968</u>		<u>1,047,278</u>

The financial statements were approved by the board of directors and authorised for issue on 17 June 2019 and are signed on its behalf by:

M L Llewellyn  
Director

# EFM GLOBAL HOLDINGS LTD

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	14		1,059,537		1,059,537
<b>Current assets</b>					
Debtors	18	761,350		705,832	
Cash at bank and in hand		40,513		284,320	
		801,863		990,152	
<b>Creditors: amounts falling due within one year</b>	19	(110,285)		(387,838)	
<b>Net current assets</b>			691,578		602,314
<b>Total assets less current liabilities</b>			1,751,115		1,661,851
<b>Capital and reserves</b>					
Called up share capital	26		100,000		100,000
Profit and loss reserves			1,651,115		1,561,851
<b>Total equity</b>			1,751,115		1,661,851

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £89,264 (2017 - £241,476 profit).

The financial statements were approved by the board of directors and authorised for issue on 17 June 2019 and are signed on its behalf by:

M L Llewellyn  
Director

Company Registration No. 06793545

# EFM GLOBAL HOLDINGS LTD

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital	Other reserves	Profit and loss	Controlling interest	Non-controlling interest	Total
Notes	£	£	£	£	£	£
<b>Balance at 1 January 2017</b>	100,000	2,170	806,994	909,164	490,468	1,399,632
<b>Year ended 31 December 2017:</b>						
Loss for the year	-	-	(251,850)	(251,850)	52,550	(199,300)
Other comprehensive income:						-
Currency translation differences	-	-	(5,048)	(5,048)	-	(5,048)
Amounts attributable to non-controlling interests	-	-	14,655	14,655	(14,655)	-
Total comprehensive income for the year	-	-	(242,243)	(242,243)	37,895	(204,348)
Dividends	-	-	(75,000)	(75,000)	(73,006)	(148,006)
<b>Balance at 31 December 2017</b>	100,000	2,170	489,751	591,921	455,357	1,047,278
<b>Year ended 31 December 2018:</b>						
Profit for the year	-	-	59,262	59,262	(36,105)	23,157
Other comprehensive income:						-
Currency translation differences on overseas subsidiaries	-	-	(5,467)	(5,467)	-	(5,467)
Amounts attributable to non-controlling interests	-	-	14,508	14,508	(14,508)	-
Total comprehensive income for the year	-	-	68,303	68,303	(50,613)	17,690
<b>Balance at 31 December 2018</b>	100,000	2,170	558,054	660,224	404,744	1,064,968

# EFM GLOBAL HOLDINGS LTD

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 January 2017</b>		100,000	1,395,375	1,495,375
<b>Year ended 31 December 2017:</b>				
Profit and total comprehensive income for the year		-	241,476	241,476
Dividends	11	-	(75,000)	(75,000)
<b>Balance at 31 December 2017</b>		100,000	1,561,851	1,661,851
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	89,264	89,264
<b>Balance at 31 December 2018</b>		100,000	1,651,115	1,751,115



# EFM GLOBAL HOLDINGS LTD

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	30	576,690		138,631	
Interest paid		(6,481)		(3,192)	
Income taxes paid		(92,767)		(368,388)	
<b>Net cash inflow/(outflow) from operating activities</b>		477,442		(232,949)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(98,498)		(224,689)	
Proceeds on disposal of tangible fixed assets		-		33,194	
Interest received		318		711	
<b>Net cash used in investing activities</b>		(98,180)		(190,784)	
<b>Financing activities</b>					
Amounts introduced/(withdrawn) by directors		(59,687)		1,899	
Payment of finance leases obligations		(14,998)		35,784	
Dividends paid to equity shareholders		-		(75,000)	
Dividends paid to non-controlling interests		-		(73,006)	
<b>Net cash used in financing activities</b>		(74,685)		(110,323)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		304,577		(534,056)	
Cash and cash equivalents at beginning of year		960,559		1,494,615	
<b>Cash and cash equivalents at end of year</b>		1,265,136		960,559	
<b>Relating to:</b>					
Cash at bank and in hand		1,558,394		1,014,157	
Bank overdrafts included in creditors payable within one year		(293,258)		(53,598)	

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

EFM Global Holdings Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Ibex House, Baker Street, Weybridge, Surrey, KT13 8AH.

The group consists of EFM Global Holdings Ltd and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The consolidated financial statements incorporate those of EFM Global Holdings Ltd and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Company has taken advantage of the exemption under FRS 102, section 1.12, in not preparing a cashflow statement for the parent company.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### **1.4 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is considered by the directors to be 5 years.

Goodwill is tested for impairment annually, and any loss is recognised directly in profit or loss in the statement of comprehensive income.

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	
Plant and equipment	25-33% on cost
Computer equipment	33% on cost
Motor vehicles	25-33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

#### 1.8 Stocks and work in progress

Work in progress is stated at the lower of cost and estimated selling price less costs to complete.

Cost comprises direct expenditure only.

#### 1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Provisions**

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.16 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key source of estimation uncertainty that may have a significant effect on the amounts recognised in the financial statements is the level of any bad debt provisions. The directors review trade and other debtor balances and make provision for estimated irrecoverable amounts where appropriate.

### 3 Turnover and other revenue

	2018	2017
	£	£
<b>Turnover analysed by geographical market</b>		
United States of America	13,149,071	6,327,702
Middle East	4,527,293	3,451,950
UK and mainland Europe	4,735,522	6,481,484
Australia	2,975,250	2,113,035
	<u>25,387,136</u>	<u>18,374,171</u>

### 4 Operating profit/(loss)

	2018	2017
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses	22,142	96,106
Depreciation of owned tangible fixed assets	98,965	71,764
Depreciation of tangible fixed assets held under finance leases	43,418	31,260
Profit on disposal of tangible fixed assets	-	(4,677)
Amortisation of intangible assets	-	3,692
Operating lease charges	<u>594,418</u>	<u>432,742</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £416 (2017 - £113,675).

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 5 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	10,000	8,425
	<u>10,000</u>	<u>8,425</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Management	10	8	2	2
Operations staff	54	50	-	-
	<u>64</u>	<u>58</u>	<u>2</u>	<u>2</u>

Their aggregate remuneration comprised:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Wages and salaries	3,828,996	3,182,421	-	-
Social security costs	291,832	222,306	-	-
Pension costs	145,336	127,282	-	-
	<u>4,266,164</u>	<u>3,532,009</u>	<u>-</u>	<u>-</u>

### 7 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	370,087	362,319
Company pension contributions to defined contribution schemes	42,033	45,780
	<u>412,120</u>	<u>408,099</u>

The number of directors to whom retirement benefits were accruing under a defined contribution scheme amounted to 3 (2017: 2)

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 7 Directors' remuneration (Continued)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	304,622	272,913
Company pension contributions to defined contribution schemes	15,579	15,125
	<u>320,201</u>	<u>288,038</u>

### 8 Interest receivable and similar income

	2018 £	2017 £
<b>Interest income</b>		
Interest on bank deposits	318	711
<b>Other income</b>		
Unrealised exchange gains	26,794	5,122
Total income	<u>27,112</u>	<u>5,833</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	318	711
	<u>318</u>	<u>711</u>

### 9 Interest payable and similar expenses

	2018 £	2017 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on finance leases and hire purchase contracts	3,737	3,192
Other interest on financial liabilities	2,107	-
	<u>5,844</u>	<u>3,192</u>
<b>Other finance costs:</b>		
Unrealised exchange losses	5,068	22,691
Other interest	637	-
Total finance costs	<u>11,549</u>	<u>25,883</u>



# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 10 Taxation

	2018 £	2017 £
<b>Current tax</b>		
Adjustments in respect of prior periods	(658)	-
Foreign current tax on profits for the current period	107,955	150,515
Adjustments in foreign tax in respect of prior periods	(658)	3,263
Other foreign taxes and reliefs	-	18,687
Total current tax	106,639	172,465
<b>Deferred tax</b>		
Origination and reversal of timing differences	(48,597)	394
Total tax charge	58,042	172,859

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit/(loss) before taxation	81,199	(26,441)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	15,428	(5,024)
Tax effect of expenses that are not deductible in determining taxable profit	4,161	23,002
Tax effect of utilisation of tax losses not previously recognised	(2,189)	(9,617)
Unutilised tax losses carried forward	40,695	-
Other non-reversing timing differences	273	-
Effect of overseas tax rates	45,073	142,803
Deferred tax	(48,597)	394
US withholding tax	-	18,687
Capital allowances in excess of depreciation	3,856	(649)
Prior year tax on overseas subsidiaries	(658)	3,263
Taxation charge	58,042	172,859

### 11 Dividends

	2018 £	2017 £
Interim paid	-	75,000

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 12 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	215,322
<b>Amortisation and impairment</b>	
At 1 January 2018 and 31 December 2018	215,322
<b>Carrying amount</b>	
At 31 December 2018	-
At 31 December 2017	-

The company had no intangible fixed assets at 31 December 2018 or 31 December 2017.

### 13 Tangible fixed assets

Group	Leasehold land and buildings £	Plant and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2018	245,727	62,059	543,149	97,302	948,237
Additions	-	60,171	38,327	-	98,498
Disposals	-	-	(179,041)	-	(179,041)
Transfers	-	51,566	(51,566)	-	-
Exchange adjustments	-	2,356	23,874	19,458	45,688
At 31 December 2018	245,727	176,152	374,743	116,760	913,382
<b>Depreciation and impairment</b>					
At 1 January 2018	204,419	16,503	404,456	65,295	690,673
Depreciation charged in the year	15,654	46,183	55,292	25,254	142,383
Eliminated in respect of disposals	-	-	(179,041)	-	(179,041)
Transfers	-	42,168	(42,168)	-	-
Exchange adjustments	-	324	15,931	6,680	22,935
At 31 December 2018	220,073	105,178	254,470	97,229	676,950
<b>Carrying amount</b>					
At 31 December 2018	25,654	70,974	120,273	19,531	236,432
At 31 December 2017	41,308	45,556	138,693	32,007	257,564

The company had no tangible fixed assets at 31 December 2018 or 31 December 2017.

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 13 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2018 £	2017 £	Company 2018 £	2017 £
Plant and equipment	10,468	13,337	-	-
Motor vehicles	19,533	32,009	-	-
Computer equipment	28,214	31,307	-	-
	<u>58,215</u>	<u>76,653</u>	<u>-</u>	<u>-</u>
Depreciation charge for the year in respect of leased assets	43,418	31,260	-	-

### 14 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	15	-	-	1,059,537	1,059,537

#### Movements in fixed asset investments Company

#### Shares in group undertakings

£

#### Cost or valuation

At 1 January 2018 and 31 December 2018

1,061,336

#### Impairment

At 1 January 2018 and 31 December 2018

1,799

#### Carrying amount

At 31 December 2018

1,059,537

At 31 December 2017

1,059,537

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 15 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
EFM USA INC	USA	Project freight management	Ordinary stock	70.00	
EFM Management FZ LLC	Dubai, UAE	Project freight management	Ordinary shares	90.00	
EFM Technologies Ltd	UK	Dormant	Ordinary shares	90.00	
EFM Event Logistics Inc	USA	Project freight management	Ordinary stock	100.00	
EFM Management Australia PTY Ltd	Australia	Project freight management	Ordinary shares	100.00	
EFM Management Ltd	UK	Project freight management and storage	Ordinary shares	50.46	
EFM Management Qatar WLL Qatar		Project freight management	Ordinary shares		44.10
EFM Customs Broker LLC	Dubai, UAE	Project freight management	Ordinary shares		44.10

### 16 Financial instruments

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	4,769,223	2,874,836	761,350	705,832
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	6,327,985	3,473,308	110,285	387,838

### 17 Stocks

	Group 2018 £	2017 £	Company 2018 £	2017 £
Work in progress	563,063	190,162	-	-

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 18 Debtors

	Group 2018	2017	Company 2018	2017
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	3,881,135	2,571,399	-	-
Unpaid share capital	30,186	30,879	-	-
Tax recoverable	97,997	143,577	-	-
Amounts owed by group undertakings	-	-	761,350	705,832
Other debtors	420,653	213,774	-	-
Prepayments and accrued income	749,952	289,014	-	-
	<u>5,179,923</u>	<u>3,248,643</u>	<u>761,350</u>	<u>705,832</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset (note 24)	106,120	57,523	-	-
	<u>106,120</u>	<u>57,523</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>5,286,043</u>	<u>3,306,166</u>	<u>761,350</u>	<u>705,832</u>

### 19 Creditors: amounts falling due within one year

	Notes	Group 2018	2017	Company 2018	2017
		£	£	£	£
Bank loans and overdrafts	21	293,258	53,598	-	-
Obligations under finance leases	22	26,158	26,973	-	-
Payments received on account		126,491	133,661	-	-
Trade creditors		3,115,440	2,075,880	-	-
Amounts owed to group undertakings		-	-	-	225,534
Tax payable		-	31,708	-	-
Other taxation and social security		72,804	55,956	-	-
Other creditors		395,701	238,787	96,985	155,804
Accruals and deferred income		2,199,835	763,182	13,300	6,500
		<u>6,229,687</u>	<u>3,379,745</u>	<u>110,285</u>	<u>387,838</u>

### 20 Creditors: amounts falling due after more than one year

	Notes	Group 2018	2017	Company 2018	2017
		£	£	£	£
Obligations under finance leases	22	32,044	46,227	-	-
Other creditors		178,438	168,010	-	-
		<u>210,482</u>	<u>214,237</u>	<u>-</u>	<u>-</u>

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 21 Loans and overdrafts

	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank overdrafts	293,258	53,598	-	-
Payable within one year	293,258	53,598	-	-

### 22 Finance lease obligations

	Group 2018 £	2017 £	Company 2018 £	2017 £
Future minimum lease payments due under finance leases:				
Within one year	30,529	30,874	-	-
In two to five years	40,768	55,713	-	-
	71,297	86,587	-	-
Less: future finance charges	(13,095)	(13,387)	-	-
	58,202	73,200	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 23 Provisions for liabilities

	Group 2018 £	2017 £	Company 2018 £	2017 £
Dilapidations	50,000	50,000	-	-
Other provisions	88,795	76,789	-	-
	138,795	126,789	-	-

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 23 Provisions for liabilities

(Continued)

Movements on provisions:

	Dilapidations	Other provisions	Total
Group	£	£	£
At 1 January 2018	50,000	76,789	126,789
Additional provisions in the year	-	12,006	12,006
At 31 December 2018	50,000	88,795	138,795

The dilapidation provision has been included to account for the estimated costs associated with restoring the premises to the condition required in accordance with the lease agreement. The costs are due to be incurred when the lease expires in February 2022.

The other provisions are estimated gratuity and annual leave costs.

### 24 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2018	Assets 2017
Group	£	£
Tax losses	106,120	57,523

The company has no deferred tax assets or liabilities.

	Group 2018	Company 2018
Movements in the year:	£	£
Liability/(asset) at 1 January 2018	(57,523)	-
Credit to profit or loss	(48,597)	-
Liability/(asset) at 31 December 2018	(106,120)	-

# EFM GLOBAL HOLDINGS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 25 Retirement benefit schemes

	2018	2017
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	145,336	127,282

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

As at the end of the year there was an amount of £1,435 (2017 - £0) due to be paid in respect of contributions.

### 26 Share capital

	Group and company	
	2018	2017
Ordinary share capital	£	£
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

### 27 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	383,182	367,517	-	-
Between two and five years	938,278	1,245,090	-	-
	1,321,460	1,612,607	-	-

### 28 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018	2017
	£	£
Aggregate compensation	1,090,402	946,031



## EFM GLOBAL HOLDINGS LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

#### 29 Directors' transactions

There is a loan of £96,985 (2017: £155,672) due from the group to a director of the group. This is shown in other creditors due in less than 1 year.

#### 30 Cash generated from group operations

	2018 £	2017 £
Profit/(loss) for the year after tax	23,157	(199,300)
Adjustments for:		
Taxation charged	58,042	172,859
Finance costs	11,549	25,883
Investment income	(27,112)	(5,833)
Gain on disposal of tangible fixed assets	-	(4,677)
Amortisation and impairment of intangible assets	-	3,692
Depreciation and impairment of tangible fixed assets	142,383	103,024
Impairment of investment properties	(22,753)	-
Unrealised exchange losses	(5,068)	(22,691)
Unrealised exchange gains	26,794	5,122
Exchange variances on consolidation	(5,467)	(5,048)
Increase in provisions	12,006	11,492
Movements in working capital:		
(Increase)/decrease in stocks	(372,901)	123,330
(Increase) in debtors	(1,976,856)	(464,222)
Increase in creditors	2,712,916	395,000
<b>Cash generated from operations</b>	<b>576,690</b>	<b>138,631</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.