

Company Registration No. 02591405 (England and Wales)

PARCEL2GO.COM LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022



PARCEL2GO.COM LIMITED

COMPANY INFORMATION

Directors	RHP Adams-Mercer JB Greenbury S Shaw	(Resigned 15 July 2021) (Appointed 20 August 2021)
Company number	02591405	
Registered office	The Cube Coe Street Bolton Lancashire BL3 6BU	
Independent Auditor	Grant Thornton UK LLP Landmark St Peters Square 1 Oxford Road Manchester M1 4PB	
Business address	The Cube Coe Street Bolton Lancashire BL3 6BU	

PARCEL2GO.COM LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Review of the business and key performance indicators

Parcel2Go, the UK's leading parcel delivery comparison website and provider of parcel delivery technology to 1.9 million customers, is pleased to announce its full year results, covering the twelve months to 31 March 2022.

In July 2021, the Company's ultimate parent company was acquired by Pack-a-Punch Bidco Limited, providing the business with access to additional expertise and capital. Pack-a-Punch Bidco Limited is a wholly owned subsidiary of Pack-a-Punch Topco Limited, and the EQT Mid Market Europe fund holds a majority stake in Pack-a-Punch Topco Limited.

Year ending 31 March	2021/22 £'000	2020/21 £'000	Percentage change
Gross revenue*	133,864	170,628	-21.5%
Statutory revenue	106,573	144,219	-26.1%
Gross profit	19,253	24,103	-20.1%
EBITDA before exceptional items	4,898	8,696	-43.7%
EBITDA% before exceptional items	4.6%	6.0%	-1.4%
Net cash in Bank	2,836	15,760	-82.0%

**An element of our Gross Revenue is not reflected in our Statutory Revenue due to the nature of certain carrier agreements, however management considers increases in gross revenue to be a key performance measure.*

Gross revenue has fallen by 21.5% in the year. This reflects a reduction in lockdown-related parcel volumes as covid restrictions eased during 2021 and a reduction in EU traffic following changes to the EU customs regime post-Brexit. However, the Company's market share in its core market remained stable and gross revenue remains 33.08% higher than the year to 31 March 2020, the last pre-Covid period.

The Company incurred £2,240k (2021: £240k) of exceptional costs relating to the acquisition of the Company's ultimate parent company by Pack-a-Punch Bidco Limited in July 2021. Excluding these exceptional costs, EBITDA (earnings before interest, tax, depreciation and amortisation) fell by 43.7%, with costs falling by less than Gross Revenues, reducing EBITDA margin to 4.6% (2021: 6.0%).

During the year the Company's cash balance fell by £12.9m due to cash flows associated with the sale of the Company's ultimate parent company.

The Company has two core businesses:

- **Branded websites in the UK, Ireland and Spain, providing consumers and small businesses with access to a comprehensive range of domestic and international parcel and pallet delivery services at highly competitive prices.**
In the UK, its largest market, Parcel2Go offers a quick, easy and low-cost alternative for parcel delivery, disrupting the way consumers and micro businesses send parcels that would traditionally be sent via the Post Office.
- **White label direct-to-consumer/SME websites hosted and operated on behalf of major couriers, marketplaces and other organisations in the UK and other markets.**
Parcel2Go provides its clients with access to customers and markets they are otherwise unable to reach and serve cost-effectively.

While headline revenue growth has been affected by the end of Covid restrictions and Brexit, the market share of the Company's branded and white label businesses has remained strong in the year. Over the medium term our UK website, www.parcel2go.com, benefits from a trend towards increased adoption of e-commerce channels among consumers and SMEs, with our marketing and customer retention activity and continued investment in Customer Service and Technology reinforcing our strong market position. Our White Label business has benefitted from increased revenues from several of its major accounts and the addition of new white label customers.

PARCEL2GO.COM LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Future developments

Parcel2Go is a low-cost business model operating at significant scale and in a highly efficient way. The model can be deployed to source and service business cost-effectively for the Company's own-brand sites or for white label clients. It is well positioned to benefit from growth in e-commerce and the gradual erosion of Royal Mail's market share and, through its scale advantage, to continue to offer highly competitive pricing in all its markets. Although the one-time effect on revenues of Covid-19-related lockdowns has abated, the directors anticipate the longer-term organic growth trends in the UK market will continue, alongside an increase in the number and volume of white label operations in the UK and international markets.

Principal risks and uncertainties

The directors have assessed the main risks facing the company as being:

- **Increased competition**

The business operates in a highly competitive sector, but the directors consider continued investment, a focus on service quality and scale advantages will enable the business to retain its market-leading position.

- **Brexit**

As shippers and carriers have come to terms with the additional cost and complexity of shipping parcels into the EU, the Company has seen a reduction in traffic between the UK and the EU. The company has developed new functionality to allow customers to navigate the additional complexity, leaving it well positioned to increase customer-confidence in shipping to the EU and benefit from any recovery in EU traffic levels.

- **Financial Risk Management**

The Company and other group companies are party to guarantees in respect of the 3rd party borrowings of Pack-a-Punch Bidco Limited. The risks associated with these guarantees are mitigated by:

- negotiating debt servicing terms and financial covenants with substantial headroom relative to the group's financial forecasts; and
- routinely monitoring actual and forecast headroom against the group's obligations under the loan facilities.

The Company has an exposure to movements in interest rates which affect the cost of the 3rd party borrowings referenced to above. This exposure is mitigated through the use of interest rate hedging instruments.

The Company has limited exposure to movements in foreign currency. The directors keep financial risks under review and monitor the exposures to price risk, credit risk, liquidity risk and cash flow risk to ensure that the exposure is maintained at a manageable level.

- **Liabilities to couriers**

Under its contracts with carriers, the Company is potentially liable for damages resulting from damage caused to people or property resulting from parcels incorrectly packaged or containing dangerous or illegal contents. This risk is mitigated by taking steps via the website to ensure that customers are aware of and follow the courier guidelines in relation to parcel packaging and contents, and through insurance.

- **Covid-19**

The lockdown put in place in March 2020 to deal with the Covid 19 outbreak resulted in dramatic increases in parcel volumes which, while putting strain on the courier networks and requiring a rapid adoption of home-working across the business, were of benefit to Company revenues and caused minimal operational disruption. The directors do not consider a further outbreak to represent a material risk to the Company.

PARCEL2GO.COM LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires the director to have regard to, amongst other matters:

- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between the members of the company.

In discharging their section 172 duties, the Directors have regard to all the matters set out above. Authority for day to day management of the Company is delegated to an executive leadership team. The Directors are provided with information in a variety of formats to ensure they are able to discharge their Section 172 duties and engage with the executive team regularly in:

- setting, approving and executing business strategy, plans and policies;
- reviewing business performance;
- managing risk; and
- decisions relating to material business initiatives and other matters.

The Directors and executive team operate the business in a responsible manner with the aim of ensuring that the Company maintains a reputation for high standards of business conduct and good governance. The Company has policies in place in relation to conduct and standards, anti-bribery and corruption measures, equal opportunities and diversity, and modern slavery. The Company's statement on modern slavery can be found on the Company's website (www.parcel2go.com).

The Company's key stakeholders are its employees, customers, clients, suppliers and investors and the Directors have regard to the views of all these stakeholders in their decision making. Engagement with these stakeholders occurs through various channels, including:

- **Employees:** the Company systematically provides employees with information on matters of concern to them, consulting them or their representatives on a regular basis to ensure that their views can be taken into account when making decisions that are likely to affect their interests. The Company acknowledges that achieving a common awareness on the part of all employees of the financial and economic factors affecting the Company plays a major role in maintaining its competitive advantage, and therefore provides employees with regular briefings on performance and other matters. The Company encourages employee involvement, for example by operating equity incentive schemes which allow employees of the Company who meet eligibility criteria to participate in the growth value of the business. The Company further encourages employee involvement through regular communication and meetings, and one-on-one coaching and development provided through line management.
- **Customers:** customers of the Company's price comparison sites benefit from a wide product range at highly competitive prices. Customers are encouraged to provide feedback which forms a key performance indicator for the business and informs IT development activity intended to improve user-experience.
- **Clients:** the Company maintains close relationships with its white label clients though open and transparent relationships, dedicated account management and regular meetings. Contract terms ensure that the interests of the Company and its Clients are closely aligned.
- **Suppliers:** the Company's key suppliers are the couriers offering product through its websites. The company provides these couriers with cost effective access to segments of the market which they otherwise find difficult to reach. The company maintains close relationships with its carriers though regular feedback and periodic meetings. Contract terms ensure that the interests of the Company and its Suppliers are closely aligned.

PARCEL2GO.COM LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Section 172(1) Statement (Continued)

- **Investors:** the Company's ultimate holding company at the year-end is Pack-a-Punch Topco Limited. The relationship between the Company and Pack-a-Punch Topco Limited is governed by an investment agreement which ensures that planning, reporting and decision-making processes and mandates are clear. The Directors attend regular meetings with the directors of Pack-a-Punch Topco Limited and Pack-a-Punch Bidco Limited to brief them on Company performance and material business initiatives.

Outside the day-to-day operation of the business, the principal decision taken by the board during the year ended 31 March 2022 was the decision to sell the group.

The decision to sell the business was taken to allow all shareholders, including employee shareholders, to realise a proportion of the value in their shareholdings while providing the Company with access to new investment capital and capabilities aligned with its future strategy and plans.

On behalf of the board

Simon Shaw

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S Shaw

Director

22/8/2022

Date:

PARCEL2GO.COM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company during the year was the provision of online parcel delivery services.

Directors

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

RHP Adams-Mercer	(Resigned 15 July 2021)
JB Greenbury	
S Shaw	(Appointed 20 August 2021)

Results and dividends

The results for the year are set out on page 12.

Ordinary dividends were paid amounting to £nil (2021: £3,527k). The directors do not recommend payment of a dividend.

Research and development

The company incurred research and development expenditure of £780k (2021: £772k).

Auditor

Grant Thornton UK LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions for the benefit of the Directors were in force during the year and at the date of approval of the financial statements.

Statement of disclosure to auditor

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Strategic report

The company has chosen in accordance with Companies Act 2006 s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch .7 to be contained in the directors' report.

PARCEL2GO.COM LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Carbon reporting

The company's energy consumption primarily relates to power required for light and computer equipment in its offices in Bolton and Malton. The company uses modern, energy-efficient computer hardware. Equipment and lights are turned off when not required.

A small number of employees (15 in the year ended 31 March 2022 (2021: 4)) use their vehicles for travel required by their roles. Employees are encouraged to travel to meetings by car only when absolutely necessary.

During the year, the company consumed 267,913kWh (2021: 114,494kWh) of energy comprising 259,510kWh (2021: 113,550kWh) from electricity and natural gas and 8,403kWh (2021: 944kWh) from transport activities involving the consumption of fuel. Electricity and natural gas consumption data has been extracted from the company's utility bills. Transport consumption has been derived from employee vehicle expense claims and converted into kWh using data derived from www.openenergy.org.

These measures have been converted into Carbon Dioxide equivalent (CO₂e) emissions equating to 54.7 tonnes (2021: 26.9 tonnes) of CO₂e or 3.24g (2021: 1.28g) of CO₂e per parcel using the UK Government's Greenhouse Gas reporting conversion factors for 2021.

On behalf of the board

Simon Shaw

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S Shaw
Director

22/8/2022

Date:

PARCEL2GO.COM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Parcel2Go.com Limited

Opinion

We have audited the financial statements of Parcel2Go.com Limited (the 'company') for the year ended 31 March 2022, which comprise the statement of comprehensive income, the statement of financial position, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Independent auditor's report to the members of Parcel2Go.com Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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 for the financial statements

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 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.

Independent auditor's report to the members of Parcel2Go.com Limited (continued)

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant that are directly relevant to specific assertions in the financial statements are those related to the reporting framework FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.
- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management, and those charged with governance of the entity. We corroborated our enquiries through our review of board minutes and papers provided to the Board;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included; Evaluation of the processes and controls established to address the risks related to irregularities and fraud and testing of journal entries, in particular entries relating to management estimates, large or unusual transactions;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client operates in and understanding of, and practical experience through training and participation with audit engagements of a similar nature;
- In assessing the potential risks of material misstatement, we obtained an understanding of; the Company's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement; and the Company's control environment including the adequacy of procedures for the authorisation of transactions.

Independent auditor's report to the members of Parcel2Go.com Limited (continued)

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.

Grant Thornton UK LLP

Paul Bamber MA FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Manchester

22/8/2022

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PARCEL2GO.COM LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2021 £000
Turnover	3	106,573	144,219
Cost of sales		(87,320)	(120,116)
Gross profit		19,253	24,103
<i>Analysis of administrative expenses:</i>			
Administrative expenses - normal		(14,620)	(15,557)
Administrative expenses - exceptional	4	(2,240)	(240)
Total administrative expenses		(16,860)	(15,797)
Other operating income		100	100
Operating profit	7	2,493	8,406
Interest payable and similar expenses	9	-	(39)
Profit before taxation		2,493	8,367
Tax on profit	10	18	(1,373)
Profit for the financial year		2,511	6,994

There was no other comprehensive income in the year.

The notes on pages 15 to 31 are an integral part of these financial statements.

PARCEL2GO.COM LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022 £000	2021 £000
Fixed assets			
Intangible assets	12	979	2
Tangible assets	13	120	91
		1,099	93
Current assets			
Debtors	14	29,205	16,153
Cash at bank and in hand		2,836	15,760
		32,041	31,913
Creditors: amounts falling due within one year	15	(19,248)	(20,637)
Net current assets		12,793	11,276
Total assets less current liabilities		13,892	11,369
Provisions for liabilities	16	(24)	(12)
Net assets		13,868	11,357
Capital and reserves			
Called up share capital	18	1	1
Other reserves	20	809	809
Profit and loss reserves	20	13,058	10,547
Total equity		13,868	11,357

The financial statements were approved by the board of directors and authorised for issue on 22/8/2022 and are signed on its behalf by:

Simon Shaw
 S Shaw
 Director

The notes on pages 15 to 31 are an integral part of these financial statements.

PARCEL2GO.COM LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 MARCH 2022**

		Share capital	Other reserves	Profit and loss reserves	Total
	Notes	£000	£000	£000	£000
Balance at 1 April 2020		1	809	7,080	7,890
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	6,994	6,994
Dividends	11	-	-	(3,527)	(3,527)
Balance at 31 March 2021		1	809	10,547	11,357
Year ended 31 March 2022:					
Profit and total comprehensive income for the year		-	-	2,511	2,511
Balance at 31 March 2022		1	809	13,058	13,868

The notes on pages 15 to 31 are an integral part of these financial statements.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Parcel2Go.com Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Cube, Coe Street, Bolton, Lancashire, BL3 6BU.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 whole £1,000, except where otherwise indicated.

The financial statements have been prepared under the historical cost convention.

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements in respect of its individual financial statements. These disclosures are given on a consolidated basis;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 26 'Share based payments' - Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modification to arrangements.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Parcel2Go.com Limited is a wholly-owned subsidiary of P2G.com Worldwide Limited, a company incorporated in the United Kingdom, and the results of Parcel2Go.com Limited are included in the consolidated financial statements of P2G.com Worldwide Limited, which are publicly available.

Going concern

As part of its going concern review the directors have followed the guidelines published by the Financial Reporting Council entitled "Guidance on the Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks". The directors have prepared detailed financial forecasts and cash flows covering a period through to 30 September 2023. In drawing up these forecasts the directors have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period. The forecasts have been sensitised for a reduction in revenue to the end of the review period with the impact on profitability and cash flow considered, net of expected variable costs savings. The forecasts have also been stress tested to assess the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements, with a focus on whether the Group is forecast to be in compliance with the leverage covenant in the Group's loan facilities. The covenant calculations derived from the forecasts indicate that the Group will have sufficient profitability to meet its covenant requirements and will retain sufficient liquidity to meet debt obligations and fund operations during the forecast period.

The Covid-19 pandemic has had a positive impact on the business with an increase in parcel volumes and has had minimal impact on operations. The directors do not consider the outbreak to have any impact on the going concern of the business.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

The current cash funding requirements and forecasts prepared by management have given the directors a reasonable expectation that the company will have sufficient resources available to continue in operational existence for the foreseeable future, with the continued support of its bankers. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

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. Turnover is recognised at the point the parcel is delivered to the recipient.

Certain carrier arrangements involve transactions where the Company acts as agent and receives a commission. For these contracts, turnover is represented by the commissions, not the gross value of the transactions.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	25% straight line
IT development	20% straight line

Tangible fixed assets

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

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

Leasehold improvements	25% straight line
Plant and machinery	25% reducing balance & 25% straight line
Fixtures & fittings	25% reducing balance & 25% straight line
Equipment	25% straight line

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 credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company 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.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

Cash and cash equivalents 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.

Financial instruments

The company 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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 trade and other debtors, loans owed by other group companies 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, 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.

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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 company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Share-based payments

The group grants share options ("equity-settled share based payments") to certain employees.

Equity-settled share based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****1 Accounting policies (Continued)****Research and development**

The Company capitalises development expenditure as an intangible asset when it is able to demonstrate all of the following:

- a) The technical feasibility of completing the development so the intangible asset will be available for use or sale.
- b) Its intention to complete the development and to use or sell the intangible asset.
- c) Its ability to use or sell the intangible asset
- d) How the intangible asset will generate probable future economic benefits
- e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalised development expenditure is initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

RDEC tax credit

RDEC tax credits are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the conditions will be met and the tax credit will be received.

The tax credit receivable is recognised within other operating income.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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, judgements 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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

All of the company's turnover is generated from its principal activity.

	2022	2021
	£000	£000
Turnover analysed by geographical market		
United Kingdom	103,981	140,018
Rest of European Union	2,592	4,201
	<u>106,573</u>	<u>144,219</u>

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****4 Exceptional costs**

	2022	2021
	£000	£000
Exceptional costs	<u>2,240</u>	<u>240</u>

The exceptional costs incurred in the year relate to professional fees and staff bonuses paid in connection with the acquisition of the company's ultimate parent company, Hadlee Holdco Limited, by Pack-a-Punch Bidco Limited in July 2021, and have been charged to the statement of comprehensive income. The exceptional costs incurred in the previous year related to professional fees relating to the process leading up to the acquisition.

5 Employees

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

	2022	2021
	Number	Number
Number of administrative staff - full time	149	136
Number of administrative staff - part time	136	148
Number of management staff - full time	16	13
Number of management staff - part time	<u>2</u>	<u>2</u>
	<u>303</u>	<u>299</u>

Their aggregate remuneration comprised:

	2022	2021
	£000	£000
Wages and salaries	7,671	6,498
Social security costs	1,139	573
Pension costs	<u>136</u>	<u>97</u>
	<u>8,946</u>	<u>7,168</u>

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****6 Directors' remuneration**

	2022	2021
	£000	£000
Remuneration for qualifying services	719	168
Company pension contributions to defined contribution schemes	1	2
	<u>720</u>	<u>170</u>

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

	2022
	£000
Remuneration for qualifying services	572
Company pension contributions to defined contribution schemes	<u>1</u>

The aggregate directors' remuneration in the prior year did not exceed £200,000, and the remuneration paid to the highest paid director has therefore not been disclosed in respect of the prior year.

In the current year, there were pension contributions of £770 in respect of the highest paid director.

During the year, 2 (2021: 2) directors accrued benefits under defined contribution pension schemes. Included in other creditors at 31 March 2022 are retirement benefits accruing to directors of £nil (2021: £382).

7 Operating profit

	2022	2021
	£000	£000
Operating profit for the year is stated after (crediting)/charging:		
Exchange (gains)/losses	(2)	6
Depreciation of owned tangible fixed assets	54	47
Amortisation of intangible assets	111	3
Operating lease charges	<u>72</u>	<u>72</u>

The company incurred research and development expenditure of £780k (2021: £772k).

8 Auditor's remuneration

	2022	2021
	£000	£000
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	<u>62</u>	<u>32</u>
For other services		
Taxation compliance services	2	4
All other non-audit services	<u>11</u>	<u>10</u>
	<u>13</u>	<u>14</u>

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****9 Interest payable and similar expenses**

	2022	2021
	£000	£000
Interest payable to group companies	-	37
Other interest payable	-	2
	<u>-</u>	<u>39</u>

10 Taxation

	2022	2021
	£000	£000
Current tax		
UK corporation tax on profits for the current period	-	1,449
Adjustments in respect of prior periods	(30)	(77)
Total current tax	<u>(30)</u>	<u>1,372</u>
Deferred tax		
Origination and reversal of timing differences	9	1
Changes in tax rates	3	-
Adjustment in respect of prior periods	-	-
Total deferred tax	<u>12</u>	<u>1</u>
Total tax (credit)/charge	<u>(18)</u>	<u>1,373</u>

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****10 Taxation (Continued)**

The total tax (credit)/charge for the year included in the statement of comprehensive income can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2022	2021
	£000	£000
Profit before taxation	2,493	8,367
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	474	1,590
Tax effect of expenses that are not deductible in determining taxable profit	17	7
Adjustments in respect of prior years	(30)	(77)
Group relief	(461)	(149)
Short term timing differences	-	1
Other differences/deduction for R&D expenditure	(19)	1
Remeasurement of deferred tax for changes in tax rates	5	-
Fixed asset differences	(4)	-
Taxation (credit)/charge for the year	(18)	1,373

Factors affecting future tax charges

The standard rate of UK corporation tax is 19%, increasing to 25% from 1 April 2023. This was substantively enacted on 24 May 2021, therefore these rates are applicable in the measurement of deferred tax assets and liabilities at 31 March 2022. Deferred tax has been provided at 19% and 25% being the rates at which temporary differences are expected to reverse.

11 Dividends

	2022	2021
	£000	£000
Final paid	-	3,527

During the year a dividend of £nil (2021: £3,048) per share was paid to shareholders amounting to a total dividend of £nil (2021: £3,527k).

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****12 Intangible fixed assets**

	Software £000	IT development £000	Total £000
Cost			
At 1 April 2021	315	-	315
Additions	107	981	1,088
At 31 March 2022	422	981	1,403
Amortisation and impairment			
At 1 April 2021	313	-	313
Amortisation charged for the year	8	103	111
At 31 March 2022	321	103	424
Carrying amount			
At 31 March 2022	101	878	979
At 31 March 2021	2	-	2

13 Tangible fixed assets

	Leasehold improvements £000	Plant and machinery £000	Fixtures & fittings £000	Equipment £000	Total £000
Cost					
At 1 April 2021	460	53	106	234	853
Additions	-	-	-	83	83
At 31 March 2022	460	53	106	317	936
Depreciation and impairment					
At 1 April 2021	427	53	99	183	762
Depreciation charged in the year	18	-	4	32	54
At 31 March 2022	445	53	103	215	816
Carrying amount					
At 31 March 2022	15	-	3	102	120
At 31 March 2021	33	-	7	51	91

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****14 Debtors**

	2022	2021
	£000	£000
Amounts falling due within one year:		
Trade debtors	324	226
Corporation tax recoverable	782	324
Amounts owed by group undertakings	25,922	12,921
Other debtors	939	1,532
Prepayments and accrued income	1,236	1,148
	<u>29,203</u>	<u>16,151</u>
Amounts falling due after more than one year:		
	2022	2021
	£000	£000
Deferred tax asset (note 17)	<u>2</u>	<u>2</u>
Total debtors	<u>29,205</u>	<u>16,153</u>

Amounts due from group undertakings are repayable on demand and are free of interest.

15 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Payments received on account	1,916	1,885
Trade creditors	9,441	12,406
Amounts owed to group undertakings	2,559	-
Other taxation and social security	52	75
Accruals and deferred income	5,280	6,271
	<u>19,248</u>	<u>20,637</u>

Amounts due to group undertakings are repayable on demand and are free of interest. There is no security attached to these loans.

16 Provisions for liabilities

	Notes	2022	2021
		£000	£000
Deferred tax liabilities	17	<u>24</u>	<u>12</u>

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****17 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities	Assets	Assets
	2022	2021	2022	2021
Balances:	£000	£000	£000	£000
Short term timing differences	-	-	2	2
Excess of taxation allowances over depreciation	24	12	-	-
	<u>24</u>	<u>12</u>	<u>2</u>	<u>2</u>
Movements in the year:				2022
				£000
Liability at 1 April 2021				10
Charge to statement of comprehensive income				12
Liability at 31 March 2022				<u>22</u>

The deferred tax asset of £2k set out above is expected to reverse within 12 months and relates to unpaid pension contributions.

18 Share capital

	2022	2021
	£000	£000
Ordinary share capital		
Issued and fully paid		
1,157 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

The shares have full voting, dividend and capital distribution rights allocated to them.

19 Retirement benefit schemes

	2022	2021
	£000	£000
Defined contribution schemes		
Charge to statement of comprehensive income in respect of defined contribution schemes	<u>136</u>	<u>97</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £22k (2021: £21k) were payable to the fund at the year end and are included in creditors.

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****20 Purpose of reserves**

Reserves of the company represent the following:

Other reserves

The other reserve represents a capital contribution reserve in respect of share-based payments.

Profit and loss account

Cumulative profit and loss net of distribution to owners.

21 Operating lease commitments**Lessee**

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

	2022	2021
	£000	£000
Within one year	21	59
Between one and five years	66	66
In over five years	17	33
	<u>104</u>	<u>158</u>

22 Financial commitments, guarantees and contingent liabilities

The Company acts as a guarantor in respect of borrowings under a senior facilities agreement (SFA) entered into during the year between Pack-a-Punch Bidco Limited, an intermediate parent of the Company, and a group of lenders (the Lenders), with Wilmington Trust (London) Limited acting as the Security Agent. At 31 March 2022, the outstanding borrowings subject to this guarantee were £68m.

During the previous year, the Company acted as a guarantor in respect of borrowings under a loan agreement between Hadlee Bidco Limited, an intermediate parent of the Company, and HSBC Bank plc. At 31 March 2021 the outstanding borrowings subject to this guarantee were £13m.

PARCEL2GO.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****23 Related party transactions****Transactions with group companies**

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard, with regards to the requirement of disclosing transactions with fellow group entities. Group balances are shown in note 14 and 15.

Other related parties

The company's main premises and trading company's premises, together with additional property used by the company and trading company, are rented out at normal commercial rates from entities in which RHP Adams-Mercer is a proprietor or partner.

The company has also traded in the normal course of business with a number of entities in which RHP Adams-Mercer and a close family member are directors and/or shareholders. RHP Adams-Mercer ceased to be a director of the company on 15 July 2021. The group has also traded in the normal course of business with two companies in which James Greenbury is a director and shareholder.

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2022	2021	2022	2021
	£000	£000	£000	£000
Other related parties	-	2	36	129
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£000	£000
Amounts due to related parties		
Other related parties	-	13
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£000	£000
Amounts due from related parties		
Other related parties	-	2
	<u> </u>	<u> </u>

PARCEL2GO.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Ultimate controlling party

The company is controlled by its immediate parent company P2G.com Worldwide Limited, a company incorporated in England and Wales.

The smallest group in which the company's results are consolidated is that for the group headed by P2G.com Worldwide Limited. Copies of the consolidated financial statements can be obtained from its registered office The Cube, Coe Street, Bolton, United Kingdom, BL3 6BU.

The largest group in which the company's results are consolidated is that for the group headed by EQT Mid Market Europe Limited Partnership. Its registered office is Cornelis Schuytstraat 74 1071 JI, Amsterdam, Netherlands.

The largest group in which the company's results are consolidated whose financial statements are publicly available is that for the group headed by Pack-a-Punch Topco Limited. A copy of the group financial statements can be obtained from its registered office The Cube, Coe Street, Bolton, England, BL3 6BU.

The directors consider the ultimate controlling party to be EQT AB, a company incorporated in Sweden, through its Mid Market Europe Fund.