

KWL Logistics Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 January 2019

KWL Logistics Limited

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KWL Logistics Limited

Company Information

| | |
|--------------------------|---|
| Director | Mr Jason Henry Flower |
| Registered office | 11-15 Schneider Close Carr Road Commercial Centre Felixstowe Suffolk IP11 3SS |
| Accountants | Jacobs Allen Limited Chartered Accountants & Chartered Tax Advisers 59 Abbeygate Street Bury St Edmunds Suffolk IP33 1LB |

KWL Logistics Limited
(Registration number: 03286263)
Balance Sheet as at 31 January 2019

| | Note | 2019 £ | 2018 £ |
|--|----------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | <u>4</u> | 39,699 | 13,823 |
| Current assets | | | |
| Debtors | <u>5</u> | 1,187,085 | 999,013 |
| Cash at bank and in hand | | <u>780,557</u> | <u>856,797</u> |
| | | 1,967,642 | 1,855,810 |
| Creditors: Amounts falling due within one year | <u>6</u> | <u>(1,426,046)</u> | <u>(1,483,158)</u> |
| Net current assets | | <u>541,596</u> | <u>372,652</u> |
| Total assets less current liabilities | | 581,295 | 386,475 |
| Creditors: Amounts falling due after more than one year | <u>6</u> | (18,491) | - |
| Provisions for liabilities | | <u>(7,543)</u> | <u>(2,356)</u> |
| Net assets | | <u><u>555,261</u></u> | <u><u>384,119</u></u> |
| Capital and reserves | | | |
| Called up share capital | <u>7</u> | 2 | 2 |
| Profit and loss account | | <u>555,259</u> | <u>384,117</u> |
| Total equity | | <u><u>555,261</u></u> | <u><u>384,119</u></u> |

For the financial year ending 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.
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KWL Logistics Limited
(Registration number: 03286263)
Balance Sheet as at 31 January 2019

Approved and authorised by the director on 8 April 2019

.....

Mr Jason Henry Flower
Director

The notes on pages 4 to 9 form an integral part of these financial statements.

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KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

11-15 Schneider Close
Carr Road Commercial Centre
Felixstowe
Suffolk
IP11 3SS
United Kingdom

These financial statements were authorised for issue by the director on 8 April 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|------------------|------------------------------|
| Motor vehicles | 25% straight line |
| Office equipment | 15%/25% straight line |
| Website | 25% straight line |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases and hire purchase contracts are recognised at their fair value at inception of the lease or contract. These assets are depreciated on a straight-line basis over the useful life of the asset at the depreciation rates indicated above. The corresponding liability is included in the Balance Sheet within creditors.

Finance lease and hire purchase payments are apportioned between finance costs in the Profit and Loss Account and reduction of the related obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 14 (2018 - 13).

KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

4 Tangible assets

| | Furniture, fittings and equipment £ | Motor vehicles £ | Other tangible assets £ | Total £ |
|--------------------------|--|---------------------|-------------------------------|------------|
| Cost or valuation | | | | |
| At 1 February 2018 | 62,641 | 8,250 | 850 | 71,741 |
| Additions | 6,155 | 28,445 | - | 34,600 |
| Disposals | (3,926) | (8,250) | - | (12,176) |
| At 31 January 2019 | 64,870 | 28,445 | 850 | 94,165 |
| Depreciation | | | | |
| At 1 February 2018 | 49,048 | 8,250 | 620 | 57,918 |
| Charge for the year | 4,956 | 3,556 | 212 | 8,724 |
| Eliminated on disposal | (3,926) | (8,250) | - | (12,176) |
| At 31 January 2019 | 50,078 | 3,556 | 832 | 54,466 |
| Carrying amount | | | | |
| At 31 January 2019 | 14,792 | 24,889 | 18 | 39,699 |
| At 31 January 2018 | 13,593 | - | 230 | 13,823 |

5 Debtors

| | 2019 £ | 2018 £ |
|---|------------------|----------------|
| Trade debtors | 657,442 | 579,269 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 412,146 | 326,826 |
| Prepayments and accrued income | 111,569 | 77,099 |
| Other debtors | 5,928 | 15,819 |
| | <u>1,187,085</u> | <u>999,013</u> |

KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

6 Creditors

Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|---|------------------|------------------|
| Due within one year | | |
| Net obligations under finance leases and hire purchase contracts | 3,833 | - |
| Trade creditors | 1,092,298 | 1,047,764 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 68,872 | 68,713 |
| Taxation and social security | 48,847 | 63,072 |
| Other creditors | 212,196 | 303,609 |
| | <u>1,426,046</u> | <u>1,483,158</u> |

The net obligations under finance lease and hire purchase contracts are secured on the assets concerned.

Creditors: amounts falling due after more than one year

| | 2019 £ | 2018 £ |
|--|---------------|-----------|
| Due after one year | | |
| Net obligations under finance leases and hire purchase contracts | <u>18,491</u> | <u>-</u> |

The net obligations under finance lease and hire purchase contracts are secured on the assets concerned.

7 Share capital

Allotted, called up and fully paid shares

| | 2019 | | 2018 | |
|----------------------------|------|---|------|---|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 2 | 2 | 2 | 2 |

KWL Logistics Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £91,988 (2018 - £71,817). These commitments relate to operating lease agreements.

The total amount of guarantees not included in the balance sheet is £100,000 (2018 - £250,000). The company provided a guarantee for a bank loan owing by its ultimate parent company, KWL (Felixstowe) Limited which at the reporting date amounted to £75,000 (2018 - £225,000) but has since been fully repaid. The guarantee was supported by a debenture involving charges over the assets of KWL Logistics Limited. Security has also been provided in the form of a charge over a bank balance of £25,000 (2018 £25,000) in respect of other bank guarantee arrangements.

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