

Movianto Transport Solutions Limited

Annual Report and financial statements

Year ended 31 December 2019

Company registration number: 03410560

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Company information

Directors

D Evans		
J M Munzinger	Resigned 27th June 2019	
B O'Neill	Resigned 18 th June 2020	
K Hunjan	Appointed 21st January 2019	Resigned 18 th June 2020
A Howes	Appointed 27th June 2019	Resigned 18 th June 2020
S Baudry	Appointed 18 th June 2020	
O&M UK Holdings Limited	Appointed 18 th June 2020	

Secretary

AG Secretarial Limited

Registered Office

Progress Park
Bedford
Bedfordshire
MK42 9XE

Auditors

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2

Principal Bankers

Royal Bank of Scotland
2 St Philips Place
Birmingham
B3 2RB

Company Number

03410560

Strategic Report

The directors present their Strategic Report in accordance with the Companies Act 2006 (Strategic Report and Director Report) regulations 2013.

Strategy and Objectives

The principal activities of the company during the year were the provision of freight management services to new and existing clients of the Movianto Group in the UK and across Europe.

It is the company's intention to further increase revenue by winning new business, either through growth of business with existing clients or from development of new clients.

As a business unit operating within the Movianto Group, Movianto Transport Solutions Ltd is able to use existing client relationships across a number of European countries and offer additional services in the management of international road, air and ocean freight which complement the logistics services already provided by other Movianto Group companies.

Review of the Business

The results for Movianto Transport Solutions Limited for the year ended 31 December 2019, show a turnover of £ 22,686,842 (2018: £18,436,019) and pre-tax profit of £1,332,783 (2018: £1,046,685).

The main drivers of financial performance continue to be the volume of orders that MTS can secure from its clients and the fees earned from the successful delivery of international freight forwarding services.

During 2019 MTS was successful in both securing business with a number of new clients and growing volumes with existing accounts and each of these elements have contributed to the growth in turnover and continued profitability of the company.

Future developments

The business is continually exploring opportunities to further increase its sales revenue from an expanding external client base and through sources within the Movianto group of companies.

Principal risks and uncertainties

The company faces the ongoing risk of the existing customer base moving to other providers in what is a highly competitive market and mitigates this risk through its contracted terms and by delivering consistently high levels of customer service and innovative solutions.

COVID19 and the resulting economic downturn presents an unknown level of risk to the business and it would be reasonable to be cautious about the outlook for 2020. The business however operates only within the pharmaceutical and healthcare sector and historical data would suggest that consumption and therefore transportation of health products will remain stable during the pandemic period. There have been no adverse effects to trading during the first months of the outbreak giving management a reasonable level of confidence that the business will not be significantly impacted.

Corporate and Social Responsibility

As a company being engaged in healthcare distribution we know how important it is to care about others. We therefore support a number of initiatives in social responsibility and also motivate our teammates to be engaged in such activities.

Carbon Reporting

We work with our clients to keep mileage at the required minimum and thereby we achieve fewer fuel consumption.

In the selection process of our transport partners we pay attention to their capabilities to operate with equipment which avoids too high energy consumptions.

Also, whenever possible in our business we target to consolidate transport volumes to avoid too much individual routes.

However, we have not introduced a measurement system yet so are currently unable to provide detailed carbon reporting statistics.



D Evans
Director

2 September 2020

Directors' report

The directors submit their directors' report and the financial statements of the company for the year ended 31 December 2019

Principal activities

The principal activities of the company during the year were the provision of freight forwarding services to existing clients of the Movianto Group in the UK and across Europe, details of which are disclosed in note 1 of these financial statements.

Results and dividends

The results for Movianto Transport Solutions Limited for the year ended 31 December 2019, show a turnover of £ 22,686,842 (2018: £18,436,019) and pre-tax profit of £1,332,783 (2018: £1,046,685).

The directors do not propose the payment of a dividend.

Political contributions

The company made no political donations nor incurred any political expenditure during the year.

Directors

The following were directors of the company during the year ended 31 December 2019 and in the subsequent periods prior to finalising these accounts:

D Evans		
J M Munzinger	Appointed 5th March 2018	Resigned 27th June 2019
B O'Neill	Resigned 18th June 2020	
K Hunjan	Appointed 21st January 2019	Resigned 18th June 2020
A Howes	Appointed 27th June 2019	Resigned 18th June 2020
S Baudry	Appointed 18 th June 2020	
O&M UK Holdings Limited	Appointed 18 th June 2020	

The directors have no interests in the share capital of the company.

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Policy on payments of creditors

It is the company's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them. At 31 December 2019 the company had an average of 35 days purchases outstanding in trade creditors (2018: 21 days).

Going concern assessment

On the basis of the directors assessment of the financial position of the company at the year end and also based on the company making profits throughout 2019, they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and will be able to meet obligations as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disabled persons

Applications for employment made by disabled persons are given full and fair consideration, having regard to the disabilities of the persons concerned. Arrangements are made wherever possible for retaining employees who become disabled and to enable them to perform work identified as appropriate to their aptitudes and abilities. Opportunities for promotion and development are open to all employees.

Employee involvement

Information to employees is given through team bulletins and reports which seek to achieve a common awareness on the part of all employees of the group's strategy and financial and economic factors affecting its performance.

Directors' report (continued)

Subsequent events

During 2020 there has been a global coronavirus pandemic (COVID 19). Due to the nature of the business and the markets in which the company operates, the Directors believe that there will be no material adverse impact upon the company during 2020.

On June 18, 2020, Owens & Minor Inc sold its European logistics business, Movianto (including Healthcare Services Group Limited), to EHDH Holding Group, a privately held French company.

Relevant audit information

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

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the Board



D Evans

Director

2 September 2020

Registered Office

Progress Park
Bedford
Bedfordshire
MK42 9XE

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT AND THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

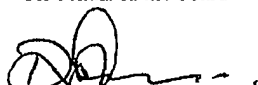
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 of the company and of the 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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



D Evans

Director

2 September 2020



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOVIAN TO TRANSPORT SOLUTIONS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Movianto Transport Solutions Ltd ('the Company') for the year ended 31 December 2019, which comprise the Profit and Loss and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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.

We have nothing to report on going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOVIAN TO TRANSPORT SOLUTIONS LIMITED (continued)

Report on the audit of the financial statements (continued)

Other information (continued)

Based solely on our work on the other information;

- we have not identified material misstatements in the directors report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5 the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

Date: 2 September 2020

Caroline Flynn
Senior Statutory Auditor
for and on behalf of
KPMG Statutory Auditor

1 Stokes Place
St. Stephen's Green
Dublin 2

Profit and Loss account and other comprehensive income
For the year ended 31 December 2019

	<i>Note</i>	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Turnover	1	22,686,842	18,436,019
Cost of sales		(20,514,873)	(16,674,783)
Gross profit		2,171,969	1,761,236
Other operating expenses (net)		(833,200)	(713,611)
Operating profit		1,338,769	1,047,625
Interest payable and similar expenses	2	(5,986)	(940)
Profit before taxation	3	1,332,783	1,046,685
Tax on profit	4	(4,938)	-
Profit for the financial year		<u>1,327,846</u>	<u>1,046,685</u>

The results shown above are derived entirely from continuing operations.

There are no items of Other Comprehensive income in the financial year or the preceding financial year other than those dealt with in the profit and loss account. Accordingly, no statement of other comprehensive income has been prepared.

Notes on pages 11 to 16 form part of the financial statement.

Balance Sheet
As at 31 December 2019

	<i>Note</i>	31 December 2019		31 December 2018	
		£	£	£	£
Current assets					
Debtors	5	7,129,857		4,552,426	
Cash at bank and in hand		9,655		51,146	
		<u>7,139,512</u>		<u>4,603,572</u>	
Creditors: amounts falling due within one year	6	(3,343,558)		(2,135,464)	
Net current assets			3,795,954		2,468,108
Total assets less current liabilities			<u>3,795,954</u>		<u>2,468,108</u>
Net assets			<u>3,795,954</u>		<u>2,468,108</u>
Capital and reserves					
Called-up share capital	7		2		2
Profit and loss account			3,795,952		2,468,106
Shareholders' funds			<u>3,795,954</u>		<u>2,468,108</u>

Notes on pages 11 to 16 form part of the financial statement.

These financial statements were approved by the board of directors on 2 September 2020 and were signed on its behalf by:



D Evans
Director

Company registration number: 03410560

Statement of changes in equity
For the year ended 31 December 2019

	Called up Share Capital £	Profit and Loss Account £	Total Equity £
Balance as at 1 January 2018	2	1,421,421	1,421,423
Total comprehensive income for the period			
Profit for the period	-	1,046,685	1,046,685
Total comprehensive income for the period	-	1,046,685	1,046,685
Balance as at 31 December 2018	2	2,468,106	2,468,108
Balance as at 1 January 2019	2	2,468,106	2,468,108
Total comprehensive income for the period			
Profit for the period	-	1,327,846	1,332,783
Total comprehensive income for the period	-	1,327,846	1,332,783
Balance as at 31 December 2019	2	3,795,952	3,800,891

Notes on pages 11 to 16 form part of the financial statement.

Accounting policies
(forming part of the financial statements)

Accounting policies

Movianto Transport Solutions Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The company's ultimate parent undertaking Owens & Minor Inc includes the company in its consolidated financial statements. The consolidated financial statements of Owens and Minor Inc are prepared in accordance with US GAAP and are available to the public and may be obtained from www.owens-minor.com.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following :

- Reconciliation of number of shares
- Cash Flow Statement and related notes
- Key management personnel compensation

Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value.

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Termination benefits

Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Revenue recognition

The company's main source of revenue is the provision of a freight forwarding service to existing Movianto Group clients across Europe and overseas, which is recognised on delivery.

Expenses

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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

Related party transactions

The company is a wholly owned subsidiary of Owens and Minor, Inc., the group financial statements of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS102 from disclosing transactions with wholly owned members of the Owens and Minor, Inc. group.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account [except for differences arising on the retranslation of qualifying cash flow hedges and items which are fair valued with changes taken to other comprehensive income, which are recognised in other comprehensive income].

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report.

The company continues to adopt the going concern basis of accounting in preparing the annual financial statements.

The company has a profit making business. As a consequence, the directors believe that the company is well placed to manage its financial risks successfully and that the company has adequate resources to continue in operational existence for the foreseeable future.

Notes to the financial statements

1 Turnover and profit on ordinary activities before taxation

The company's turnover and profit before taxation were all derived from its principal activities across Europe and overseas.

The principal activities of the company during the year were the provision of freight forwarding services to existing clients of the Movianto Group. The breakdown by region is as follows:

	2019	2018
	£	£
UK	5,035,407	4,553,131
Europe	15,272,125	13,062,851
Rest of the World	2,379,310	820,037
	<u>22,686,842</u>	<u>18,436,019</u>

2 Interest payable and similar expenses

	2019	2018
	£	£
Other interest payable	5,986	940
	<u>5,986</u>	<u>940</u>

3 Staff numbers and costs

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

	2019	2018
	No	No
Sales and administration	12	12
	<u>12</u>	<u>12</u>

	2019	2018
	£	£
Staff costs for the above persons:		
Wages and salaries	590,345	472,432
Social security costs	43,868	38,797
Other pension costs	23,720	19,762
	<u>657,933</u>	<u>530,991</u>

	2019	2018
	£	£
Directors' remuneration		
Emoluments	157,852	136,752
Pension contributions to money purchase schemes	16,148	15,827

	2019	2018
	£	£
Details of highest paid director's emoluments:		
Emoluments	157,852	136,752
Pension contributions to money purchase schemes	16,148	15,827

3 Staff numbers and costs (*continued*)

During the year three of the directors of the company also served as directors of Movianto UK Limited, Healthcare Product Services Limited, Healthcare Services Group Limited and of Pharmacare Logistics Limited. All companies are viewed together as one business unit, a subsidiary of Healthcare Services Group Limited. For one of the directors of the company, Movianto UK Limited paid the remuneration for services provided to the business unit; of this, the remuneration was recharged to the company and is disclosed above. The directors do not believe that it is practicable to apportion the amount for the other two directors between their services as directors of the company and their services as directors of other companies in the business unit and their remuneration is therefore not included above.

4 Taxation

a) Tax on profit on ordinary activities

	2019 £	2018 £
<i>Current tax:</i>		
UK corporation tax	-	-
Total tax (note 4(b))	-	-
<i>Deferred taxation:</i>		
Adjustments in respect of prior years	4,938	-
Effect of rate change	-	-
Deferred tax	4,938	-
Tax charge on ordinary activities	4,938	-

b) Factors affecting the tax credit

The tax assessed on the profit on ordinary activities for the year is lower than (2018: lower than) the profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are reconciled below:

	2019 £	2018 £
Profit on ordinary activities before tax	1,332,783	1,046,685
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	253,229	198,870
Group relief	(253,229)	(198,870)
Adjustments in respect of prior years	4,938	-
Total tax	4,938	-

5 Debtors

	2019	2018
	£	£
Due within one year:		
Trade debtors	2,788,248	2,749,274
Amounts owed by group undertakings	4,339,812	1,796,763
Prepayments and accrued income	1,797	1,451
Deferred tax recoverable due within 1 year	-	4,938
	<u>7,129,857</u>	<u>4,552,426</u>

The Amounts owed by group undertakings relate to a rolling working capital facility, which is repayable on demand and which accrues interest at 0.479%.

Deferred taxation recognised in the financial statements is as follows:

	2019	2018
	£	£
At 1 January	4,938	4,938
Charge to the profit and loss account (note 4)	(4,938)	-
At 31 December	<u>-</u>	<u>4,938</u>

Deferred taxation recognised in the financial statements is as follows:

	2019	2018
	£	£
Deferred capital allowances	<u>-</u>	<u>4,938</u>

6 Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,711,301	752,774
Amounts owed to group undertakings	106,010	560,905
Other taxes and social security payable	55,729	2,355
Accrued expenses	1,470,518	819,430
	<u>3,343,558</u>	<u>2,135,464</u>

Amounts owed to Group undertakings are interest free and payable on demand.

7 Share capital

	2019	2018
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

8 Pensions

The company participates in a group personal pension scheme through Movianto UK Limited. The scheme is a defined contribution scheme operated independently by an administered fund. Total expense relating to the plan in 2019 was £23,720 (2018: £19,762)

9 Ultimate parent undertaking and ultimate controlling party

The immediate parent undertaking is Healthcare Services Group Limited, the Registered Office of which is located at 1 Progress Park, Bedford, MK42 9XE. The ultimate parent undertaking and controlling party is Owens and Minor, Inc, a company incorporated in the USA, the registered office of which is 9120 Lockwood Boulevard, Mechanicsville, Virginia, USA.

The only group in which Movianto Transport Solutions is consolidated is that headed by Owens and Minor, Inc., whose principal place of business is at Richmond, Virginia, USA. The group financial statements of Owens and Minor, Inc. are available to the public and may be obtained from 9120 Lockwood Boulevard, Mechanicsville, Virginia, USA.

10 Post Balance Sheet events

During 2020 there has been a global coronavirus pandemic (COVID 19). Due to the nature of the business and the markets in which the company operates, the Directors believe that there will be no material adverse impact upon the company during 2020.

On July 18, 2020, Owens & Minor Inc sold its European logistics business, Movianto (including Movianto Transport Solutions Limited), to EHDH Holding Group, a privately held French company.