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Registration number: 04303303

TELS Transeuropean Logistic Services Ltd

Director's Report and Abbreviated Financial Statements

for the Year Ended 31 October 2014

Thomas Alexander & Co Ltd
590 Green Lanes
Palmers Green
London
N13 5RY



TELS Transeuropean Logistic Services Ltd
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TELS Transeuropean Logistic Services Ltd
Company Information

| | |
|--------------------------|--|
| Director | Igor Levin |
| Registered office | Suite 4 11 Rosemont Road Hampstead London NW3 6NG |
| Auditors | Thomas Alexander & Co Ltd 590 Green Lanes Palmers Green London N13 5RY |

TELS Transeuropean Logistic Services Ltd
Strategic Report for the Year Ended 31 October 2014

The director presents his strategic report for the year ended 31 October 2014.

Business review

Fair review of the business

The directors are satisfied with the company results for the financial period.

The company's key financial and other performance indicators during the year were as follows:

| | Unit | 2014 | 2013 |
|---------------------|------|------------|------------|
| Turnover | £ | 36,152,155 | 35,886,600 |
| Gross profit margin | % | 4 | 4 |

Principal risks and uncertainties

The principal risk facing the company is maintaining the turnover and the gross profit margin. The company mitigates this by building strong relationships with haulage carriers and providing excellent customer service enhancing their customer base.

Approved by the Board on 16 July 2015 and signed on its behalf by:



.....
Igor Levin
Director

TELS Transeuropean Logistic Services Ltd
Director's Report for the Year Ended 31 October 2014

The director presents his report and the abbreviated financial statements for the year ended 31 October 2014.

Director of the company

The director who held office during the year was as follows:

Igor Levin

Financial instruments

Objectives and policies

The director reviews the company's cash flow requirements on a regular basis and ensures that the company does not encounter any undue financial risk.

Price risk, credit risk, liquidity risk and cash flow risk

The prices are decided by the marketing and sales team considering the direct costs and the overheads under the directions of the director. The director also ensures that adequate funds are available for its day to day operations and any future activities.

Disclosure of information to the auditors

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Thomas Alexander & Co Ltd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 16 July 2015 and signed on its behalf by:



.....
Igor Levin
Director

Independent Auditor's Report to TELS Transeuropean Logistic Services Ltd
Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 5 to 14 together with the financial statements of TELS Transeuropean Logistic Services Ltd for the year ended 31 October 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

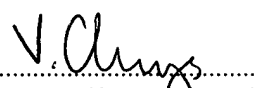
The director is responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.


.....
Vassos Chrysostomou (Senior Statutory Auditor)
For and on behalf of Thomas Alexander & Co Ltd, Statutory Auditor

590 Green Lanes
Palmers Green
London
N13 5RY

16 July 2015

TELS Transeuropean Logistic Services Ltd
Abbreviated Profit and Loss Account for the Year Ended 31 October 2014

| | Note | 2014 £ | 2013 £ |
|---|------|--------------------|--------------------|
| Turnover | | <u>36,152,155</u> | <u>35,886,600</u> |
| Gross profit | | 1,361,732 | 1,456,804 |
| Administrative expenses | | <u>(1,308,037)</u> | <u>(1,241,226)</u> |
| Operating profit | 2 | <u>53,695</u> | <u>215,578</u> |
| Profit on ordinary activities before taxation | | 53,695 | 215,578 |
| Tax on profit on ordinary activities | 5 | <u>(35,937)</u> | <u>(47,349)</u> |
| Profit for the financial year | 12 | <u>17,758</u> | <u>168,229</u> |

Turnover and operating profit derive wholly from continuing operations.

TELS Transeuropean Logistic Services Ltd
(Registration number: 04303303)
Abbreviated Balance Sheet at 31 October 2014

| | Note | 2014 £ | 2013 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible fixed assets | 6 | 360,390 | 537,047 |
| Investments | 7 | <u>37,105</u> | <u>37,105</u> |
| | | <u>397,495</u> | <u>574,152</u> |
| Current assets | | | |
| Debtors | 8 | 4,587,502 | 5,799,921 |
| Cash at bank and in hand | | <u>3,889,078</u> | <u>1,906,433</u> |
| | | 8,476,580 | 7,706,354 |
| Creditors: Amounts falling due within one year | 9 | <u>(7,463,209)</u> | <u>(6,887,398)</u> |
| Net current assets | | <u>1,013,371</u> | <u>818,956</u> |
| Total assets less current liabilities | | 1,410,866 | 1,393,108 |
| Provisions for liabilities | 10 | <u>(34,920)</u> | <u>(34,920)</u> |
| Net assets | | <u>1,375,946</u> | <u>1,358,188</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 3 | 3 |
| Profit and loss account | 12 | <u>1,375,943</u> | <u>1,358,185</u> |
| Shareholders' funds | 13 | <u>1,375,946</u> | <u>1,358,188</u> |

The abbreviated accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to medium-sized companies.

Approved by the director on 16 July 2015



.....
Igor Levin
Director

TELS Transeuropean Logistic Services Ltd
Cash Flow Statement for the Year Ended 31 October 2014

Reconciliation of operating profit to net cash flow from operating activities

| | Note | 2014 £ | 2013 £ |
|---|------|------------------|---------------|
| Operating profit | | 53,695 | 215,578 |
| Depreciation, amortisation and impairment charges | | 196,029 | 213,116 |
| Decrease in debtors | | 1,212,419 | 248,569 |
| Increase/(decrease) in creditors | | 571,455 | (595,335) |
| Net cash inflow from operating activities | | <u>2,033,598</u> | <u>81,928</u> |

Cash flow statement

| | Note | 2014 £ | 2013 £ |
|---|------|------------------|------------------|
| Net cash inflow from operating activities | | 2,033,598 | 81,928 |
| Taxation paid | | (31,581) | (42,468) |
| Capital expenditure and financial investment | | | |
| Purchase of tangible fixed assets | | (19,372) | (245,853) |
| Acquisitions and disposals | | | |
| Acquisition of investments in subsidiary undertakings | | - | (10,754) |
| Net cash inflow/(outflow) before management of liquid resources and financing | | <u>1,982,645</u> | <u>(217,147)</u> |
| Increase/(decrease) in cash | 14 | <u>1,982,645</u> | <u>(217,147)</u> |

Reconciliation of net cash flow to movement in net debt

| | Note | 2014 £ | 2013 £ |
|-----------------------------|------|------------------|------------------|
| Increase/(decrease) in cash | | <u>1,982,645</u> | <u>(217,147)</u> |
| Movement in net debt | 14 | 1,982,645 | (217,147) |
| Net funds at 1 November | 14 | <u>1,906,433</u> | <u>2,123,580</u> |
| Net funds at 31 October | 14 | <u>3,889,078</u> | <u>1,906,433</u> |

The notes on pages 8 to 14 form an integral part of these financial statements.

TELS Transeuropean Logistic Services Ltd
Notes to the Financial Statements for the Year Ended 31 October 2014

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention.

Turnover

Turnover represents amounts chargeable in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|---|-------------------------------------|
| Fixtures, fittings, tools and equipment | 25% Reducing balance basis |
| Motgor Vehicles | 25% Reducing balance basis |

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

2 Operating profit

Operating profit is stated after charging:

| | 2014 | 2013 |
|---|----------------|----------------|
| | £ | £ |
| Operating leases - other assets | 70,315 | 70,177 |
| Auditor's remuneration - The audit of the company's annual accounts | 6,600 | 6,600 |
| Foreign currency losses | 27,778 | 31,864 |
| Depreciation of owned assets | <u>196,029</u> | <u>213,116</u> |

3 Particulars of employees

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

| | 2014 | 2013 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Administration and support | <u>203</u> | <u>186</u> |

The aggregate payroll costs were as follows:

| | 2014 | 2013 |
|--------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | <u>324,203</u> | <u>324,831</u> |

4 Director's remuneration

The director's remuneration for the year was as follows:

| | 2014 | 2013 |
|--------------|---------------|---------------|
| | £ | £ |
| Remuneration | <u>17,400</u> | <u>17,400</u> |

5 Taxation

Tax on profit on ordinary activities

| | 2014 | 2013 |
|--|-------------|-------------|
| | £ | £ |

Current tax

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

| | | |
|--|---------------|---------------|
| Corporation tax charge | 35,937 | 31,581 |
| Deferred tax | | |
| Origination and reversal of timing differences | - | 15,768 |
| Total tax on profit on ordinary activities | <u>35,937</u> | <u>47,349</u> |

6 Tangible fixed assets

| | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|--------------------------|-------------------------------|------------------------|------------------|
| Cost or valuation | | | |
| At 1 November 2013 | 141,010 | 862,115 | 1,003,125 |
| Additions | <u>19,372</u> | - | <u>19,372</u> |
| At 31 October 2014 | <u>160,382</u> | <u>862,115</u> | <u>1,022,497</u> |
| Depreciation | | | |
| At 1 November 2013 | 105,034 | 361,044 | 466,078 |
| Charge for the year | <u>13,837</u> | <u>182,192</u> | <u>196,029</u> |
| At 31 October 2014 | <u>118,871</u> | <u>543,236</u> | <u>662,107</u> |
| Net book value | | | |
| At 31 October 2014 | <u>41,511</u> | <u>318,879</u> | <u>360,390</u> |
| At 31 October 2013 | <u>35,976</u> | <u>501,071</u> | <u>537,047</u> |

7 Investments held as fixed assets

| | 2014 £ | 2013 £ |
|--|---------------|---------------|
| Shares in group undertakings and participating interests | <u>37,105</u> | <u>37,105</u> |

Shares in group undertakings and participating interests

| | Subsidiary undertakings £ | Total £ |
|-----------------------|---------------------------------|---------------|
| Cost | | |
| At 1 November 2013 | <u>37,105</u> | <u>37,105</u> |
| At 31 October 2014 | <u>37,105</u> | <u>37,105</u> |
| Net book value | | |
| At 31 October 2014 | <u>37,105</u> | <u>37,105</u> |

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking | Holding | Proportion of voting rights and shares held | Principal activity |
|--------------------------------|-----------------|---|--------------------|
| Subsidiary undertakings | | | |
| Tels BY | Ordinary shares | 100% | Transport agents |
| I000Art Logistics | Ordinary shares | 51% | Transport agents |
| ZAO Tels Russia | Ordinary shares | 99% | Transport agent |
| T.E .L.S Ukraine LLC | Ordinary shares | 100% | Transport agents |
| TELS Polska | Ordinary shares | 99% | Transport agents |
| TELS CZ | Ordinary shares | 60% | Transport agents |
| TELS Germany GMBH | Ordinary shares | 100% | Transport agents |

The financial period end of Tels BY is 31 December. The loss for the financial period of Tels BY was £83,544 and the aggregate amount of capital and reserves at the end of the period was (£173,765).

The financial period end of I000Art Logistics is 31 December. The profit for the financial period of I000Art Logistics was £8,631 and the aggregate amount of capital and reserves at the end of the period was £99,558.

The financial period end of ZAO Tels Russia is 31 December. The profit for the financial period of ZAO Tels Russia was £19,853 and the aggregate amount of capital and reserves at the end of the period was £50,568.

The financial period end of T.E .L.S Ukraine LLC is 31 December. The profit for the financial period of T.E .L.S Ukraine LLC was £7,974 and the aggregate amount of capital and reserves at the end of the period was £11,619.

The financial period end of TELS Polska is 31 December. The profit for the financial period of TELS Polska was £4,444 and the aggregate amount of capital and reserves at the end of the period was £6,037.

The financial period end of TELS CZ is 31 December. The profit for the financial period of TELS CZ was £1,470 and the aggregate amount of capital and reserves at the end of the period was (£19,544).

The financial period end of TELS Germany GMBH is 31 December. The profit for the financial period of TELS Germany GMBH was £nil and the aggregate amount of capital and reserves at the end of the period was £nil.

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

8 Debtors

| | 2014 £ | 2013 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 2,998,420 | 3,988,562 |
| Other debtors | 1,568,444 | 1,797,736 |
| Prepayments and accrued income | 20,638 | 13,623 |
| | <u>4,587,502</u> | <u>5,799,921</u> |

Debtors includes £nil (2013 - £nil) receivable after more than one year.

This can be analysed as follows:

| 2014 £ | 2013 £ |
|-----------|-----------|
| - | - |

9 Creditors: Amounts falling due within one year

| | 2014 £ | 2013 £ |
|---------------------------------|------------------|------------------|
| Trade creditors | 7,373,637 | 6,369,560 |
| Corporation tax | 35,937 | 31,581 |
| Other taxes and social security | 396 | 396 |
| Other creditors | 26,032 | 25,377 |
| Accruals and deferred income | 27,207 | 460,484 |
| | <u>7,463,209</u> | <u>6,887,398</u> |

10 Provisions

| | Deferred tax £ | Total £ |
|--------------------|-------------------|---------------|
| At 1 November 2013 | <u>34,920</u> | <u>34,920</u> |
| At 31 October 2014 | <u>34,920</u> | <u>34,920</u> |

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

Analysis of deferred tax

| | 2014 £ | 2013 £ |
|---|-------------------------|-------------------------|
| Difference between accumulated depreciation and amortisation and capital allowances | <u>34,920</u> | <u>34,920</u> |
| | <u><u>34,920</u></u> | <u><u>34,920</u></u> |

11 Share capital

Allotted, called up and fully paid shares

| | 2014 | | 2013 | |
|----------------------------|-------------|----------|-------------|----------|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | <u>3</u> | <u>3</u> | <u>3</u> | <u>3</u> |

12 Reserves

| | Profit and loss account £ | Total £ |
|---------------------|--|-------------------------|
| At 1 November 2013 | 1,358,185 | 1,358,185 |
| Profit for the year | <u>17,758</u> | <u>17,758</u> |
| At 31 October 2014 | <u><u>1,375,943</u></u> | <u><u>1,375,943</u></u> |

13 Reconciliation of movement in shareholders' funds

| | 2014 £ | 2013 £ |
|---|-------------------------|-------------------------|
| Profit attributable to the members of the company | <u>17,758</u> | <u>168,229</u> |
| Net addition to shareholders' funds | 17,758 | 168,229 |
| Shareholders' funds at 1 November | <u>1,358,188</u> | <u>1,189,959</u> |
| Shareholders' funds at 31 October | <u><u>1,375,946</u></u> | <u><u>1,358,188</u></u> |

TELS Transeuropean Logistic Services Ltd

Notes to the Financial Statements for the Year Ended 31 October 2014

..... *continued*

14 Analysis of net debt

| | At 1 November 2013 £ | Cash flow £ | At 31 October 2014 £ |
|--------------------------|----------------------------|------------------|----------------------------|
| Cash at bank and in hand | 1,906,433 | 1,982,645 | 3,889,078 |
| Debt due within one year | - | 1,982,645 | - |
| Net funds | <u>1,906,433</u> | <u>3,965,290</u> | <u>3,889,078</u> |

15 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

TELS Ukraine Ltd

(Group company)

. At the balance sheet date the amount due from TELS Ukraine Ltd was £81,255 (2013 - £80,911).

ZAO Tels Cargo

(Group Company)

. At the balance sheet date the amount due from ZAO Tels Cargo was £1,487,189 (2013 - £1,716,825).

16 Control

The company is controlled by the director who owns 100% of the called up share capital.