

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED**

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST OCTOBER 2023

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

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**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST OCTOBER 2023**

DIRECTOR: M Ivanova

REGISTERED OFFICE: Prospect House Suite 22
2 Athenaeum Road
Whetstone
London
N20 9AE

REGISTERED NUMBER: 04303303 (England and Wales)

AUDITORS: Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

**STRATEGIC REPORT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

The director presents her strategic report for the year ended 31st October 2023.

REVIEW OF BUSINESS

The company director is satisfied with the company's performance for the financial period. Sales in 2023 have shown a significant increase of 32.9%, reaching £87,846,674 (compared to £66,108,94 in 2022). This growth comes despite the challenges posed by the UK leaving the European Union, the Russia-Ukraine conflict, and the ongoing COVID-19 pandemic, which has resulted in sanctions and the emergence of new strains of the virus.

Gross profit has also seen a positive increase of 20.9%, driven by the substantial rise in sales by 32.9% and the cost of sales by 33.2%. Throughout the year, the Company has experienced growth in sales.

The gross profit margin for the year ending 31st October 2023 remained at a healthy and consistent level of 2%, however, it is important to note that the gross profit margin is slightly lower compared to the previous year. This decrease is attributed to the rise in cost of sales due to the volatile economic conditions and the inflationary economic environment.

IMPACT FROM THE RISKS RELATED TO THE COVID-19 PANDEMIC, RUSSIA-UKRAINE CONFLICT

The company initially faced challenges due to the pandemic, which affected its operations, however, the demand for transportation quickly rebounded as products requiring transport were replaced and new products emerged. As the pandemic situation improved, the company's overall turnover recovered swiftly.

The disruption caused by the Russia-Ukraine conflict, along with the ongoing COVID-19 restrictions and supply chain uncertainties, extended into 2023. This highlighted the importance of transportation services and the need to develop new routes for various types of freight.

Despite these challenges, the company's freight services have continued to recover. Throughout the year, the company has attracted new customers and maintained strong relationships with existing ones.

The company's top priority has been to ensure the health and safety of its employees while ensuring business continuity. The company has implemented a strategy of investing in its team, systems, and clients to address new requirements and manage the uncertain and changing environment.

Despite the difficult geopolitical situation, the company plans to increase its volume of services, turnover, and establish strong cooperation with customers by securing new contracts.

The 2024 financial year will inevitably be impacted by the ongoing Russia-Ukraine conflict, the UK's departure from the EU, and other environmental challenges. However, the company believes that its continued investment, operational strategy, and strong financial position will lead to satisfactory results in the future. The director is proud of the dedicated, professional, and talented employees who are the company's greatest asset.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

PRINCIPAL RISKS AND UNCERTAINTIES

The main risk facing the company is maintaining its turnover and gross profit margin. To mitigate this risk, the company focuses on building strong relationships with haulage carriers and providing excellent customer service to expand its customer base. The ongoing conflict in Ukraine also poses uncertainty as the company operates in and around that region, however, the impact has been minimal so far as alternative routes that avoid the area have been readily available.

In addition to these risks, the company is exposed to foreign exchange risk and customer credit risk. The company has established a risk and financial management framework to mitigate its exposure to these risks and protect its performance. Financial risk management objectives and policies are managed at a group level to minimize the potential negative impacts of market fluctuations and support value creation.

To minimize exchange rate risk, the company strives to match receipts and payments in pounds and euros as closely as possible. It also uses foreign exchange contracts to hedge these exposures. Credit risk is primarily managed through strict credit checks on new customers and regular monitoring of existing customers.

Liquidity risk is managed by monitoring the balance sheet position on a daily basis and actively managing available funds. The company ensures that it has sufficient cash reserves in the short and long term to meet financial obligations and support its operations and growth ambitions.

The company remains vigilant for new opportunities and is focused on positioning itself to capitalize on them. The director is confident that the company will be able to react accordingly to ensure continued success.

The company operates in highly competitive markets with fierce competition in terms of product/service innovations and price conditions. To stay competitive, the company is committed to investing in research and development, ensuring its services are well-positioned in terms of quality, customer relationships, innovation, and performance.

FINANCIAL KEY PERFORMANCE INDICATORS

The management team of the company has identified the key performance indicators (KPIs) that are most relevant for monitoring business performance. Below are the KPIs and their respective percentages as determined by the management team:

			2023	2022	Change
	£'000	£'000	%		
Revenue			87,847	66,108	32.9
Gross profit			1,748	1,445	20.9
Gross Profit %			2.0%	2.2%	-
Profit/(Loss) Before Tax			269	121	122.3
OPEX Margin			1.7%	2.1%	-

The gross profit percentage remained, as expected, at 2%.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

DEVELOPMENT AND PERFORMANCE

The company has grown organically over the past year and further organic growth is expected during 2024, not least due to the ability to provide a wide suite of services as a transport agent. The company remains at the forefront of obtaining time critical solutions and will continue to invest in training and IT systems to ensure it continues to do so.

Based on the market analysis and plan in 2024 the company expects to achieve the following results:

- Sales volume increase by 5.0%
- Gross Profit - by 29.6% mainly due to optimization routes and work with customers & suppliers.
- Gross profit margin - 2.5% which is +0.47 pp vs 2023
- OPEX - in total +1.6% vs prior year driven by a salary increase (new staff) and almost the same level as % of NSR (1.6%)
- Net profit - £571k vs £269k in 2023.

Section 172 of the Companies Act requires director to act in a way that they consider would be most likely to promote the success of the company. In doing so, the director must take into consideration the interests of various stakeholders of the company (including employees, customers, suppliers, shareholders and others), the impact of the company's operations on the community and the environment and take a long-term view of the likely consequences of decisions they make as well as maintaining a reputation for high standards of business conduct.

The management of company has a constructive dialogue with the various stakeholders of the business either directly or through the management structure. The company considers the stakeholders to be employees, customers, suppliers (including subcontractors), shareholders and others and the director considers the long-term consequences of decisions made both on the company as well as on the community and the environment.

The company operates policies that ensure to focus on maintaining a reputation of high standards of business, whilst the regular communication with employees as well as the health and safety focus should provide long-term benefits for all stakeholders. These policies include but are not limited to carrying out monthly and quarterly review meetings, presentations of results of the company, regular meeting with key customers.

EMPLOYEES

The company places a high value on its employees and aims to keep them informed and involved in the business. Various methods of communication are used, including newsletters, bulletins, participation in meetings, and management briefings. The company regularly consults employees or their representatives, especially when making decisions that may impact their interests.

Employee development and career opportunities are key priorities for the company. It strives to bring its purpose to life by providing growth opportunities to every employee.

Throughout the year, the company conducted an employee survey called myVoice, which provided employees with the opportunity to provide feedback. The results of the survey were shared with team leaders, who worked with their teams to address any areas of improvement. This allowed the company to monitor employee engagement and take action based on the feedback received, continuously improving engagement and participation.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

FUTURE DEVELOPMENT

The Company is well established and well respected and whilst the commercial environment is expected to remain challenging. The directors anticipate an improved performance in the year ahead.

The market, especially in the UK, remains somewhat fragile following the combination of the oil price volatility and impact of the Russia-Ukraine conflict, both on the international freight and oil markets. At the outset of the pandemic, the company sought to reduce costs and improved cash flow where possible. The Company expects to continue to improve its position on the market, though clearly this is dependent on an overall economic recovery and global stability.

ON BEHALF OF THE BOARD:

M Ivanova - Director

8th March 2024

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31ST OCTOBER 2023**

The director presents her report with the financial statements of the company for the year ended 31st October 2023.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Transport agents.

DIVIDENDS

No dividends will be distributed for the year ended 31st October 2023.

FUTURE DEVELOPMENTS

The company has a strong reputation and is well-established, despite the challenging commercial environment, the director anticipates an improved performance in the coming year.

The market, particularly in the UK, remains uncertain due to factors such as oil price volatility and the impact of the Russia-Ukraine conflict on international freight and oil markets. When the pandemic began, the company took measures to reduce costs and improve cash flow where possible. The company expects to continue improving its market position, but this is contingent on overall economic recovery and global stability.

The company faces price risk related to uncertainty in the business environment, utilities, and operating costs influenced by external factors. After careful consideration, the director has determined that the company has sufficient resources to continue operating for at least the next 12 months from the date of financial statement approval, therefore, the director believes it is appropriate to prepare the financial statements on a going concern basis.

To meet day-to-day working capital requirements, the company relies on cash reserves to fulfill obligations to suppliers and takes advantage of financial instruments provided by commercial banks to pursue new opportunities.

DIRECTOR

M Ivanova held office during the whole of the period from 1st November 2022 to the date of this report.

FINANCIAL INSTRUMENTS

The financial statements comprise of borrowings such as secured loans, advance receipts in respect of the ordinary activities of the group, cash and liquid resources, finance leases and various other items such as trade debtors and trade creditors that also arise directly from its operations.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is 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.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31ST OCTOBER 2023**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thomas Coombs Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M Ivanova - Director

8th March 2024

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED**

Opinion

We have audited the financial statements of T.E.L.S. Transeuropean Logistic Services Limited (the 'company') for the year ended 31st October 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 31st October 2023 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 Auditors' 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

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

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.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED**

Matters on which we are required to report by exception

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 Report of the Director.

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

- adequate accounting records have not been kept, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page six, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

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

Based on our understanding of the entity and industries in which it operates, we identified the principal risks of non-compliance with laws and regulations related to ISO certifications and data protection. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, tax legislation and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls, and ensuring these controls operated as intended. We determined the principal risks were related to posting journal entries to manipulate profits, and management bias in accounting estimates, especially bad debt provision.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to bad debt provision.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC, relevant regulators, and the company's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED**

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 a Report of the Auditors 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.

Thomas Bond (Senior Statutory Auditor)
for and on behalf of Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

8th March 2024

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED (REGISTERED NUMBER: 04303303)**

**INCOME STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

		2023	2022
	Notes	£	£
TURNOVER	3	87,846,674	66,108,194
Cost of sales		<u>86,098,936</u>	<u>64,662,719</u>
GROSS PROFIT		1,747,738	1,445,475
Administrative expenses		<u>1,490,839</u>	<u>1,365,667</u>
OPERATING PROFIT	5	256,899	79,808
Interest receivable and similar income	6	<u>11,931</u>	<u>40,890</u>
PROFIT BEFORE TAXATION		268,830	120,698
Tax on profit	7	<u>70,859</u>	<u>22,933</u>
PROFIT FOR THE FINANCIAL YEAR		<u>197,971</u>	<u>97,765</u>

The notes form part of these financial statements

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED (REGISTERED NUMBER: 04303303)**

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST OCTOBER 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		197,971	97,765
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>197,971</u>	<u>97,765</u>

The notes form part of these financial statements

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED (REGISTERED NUMBER: 04303303)**

**BALANCE SHEET
31ST OCTOBER 2023**

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		190,122		424,605
Investments	9		<u>65</u>		<u>3,755</u>
			190,187		428,360
CURRENT ASSETS					
Debtors	10	4,224,261		5,557,925	
Cash at bank and in hand		<u>19,861,097</u>		<u>10,000,492</u>	
		24,085,358		15,558,417	
CREDITORS					
Amounts falling due within one year	11	<u>21,213,777</u>		<u>13,085,818</u>	
NET CURRENT ASSETS			<u>2,871,581</u>		<u>2,472,599</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,061,768</u>		<u>2,900,959</u>
PROVISIONS FOR LIABILITIES	13		<u>18,702</u>		<u>55,864</u>
NET ASSETS			<u><u>3,043,066</u></u>		<u><u>2,845,095</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		3		3
Retained earnings	15		<u>3,043,063</u>		<u>2,845,092</u>
SHAREHOLDERS' FUNDS			<u><u>3,043,066</u></u>		<u><u>2,845,095</u></u>

The financial statements were approved by the director and authorised for issue on 8th March 2024 and were signed by:

M Ivanova - Director

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED (REGISTERED NUMBER: 04303303)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST OCTOBER 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st November 2021	3	2,747,327	2,747,330
Changes in equity			
Total comprehensive income	-	97,765	97,765
Balance at 31st October 2022	3	2,845,092	2,845,095
Changes in equity			
Total comprehensive income	-	197,971	197,971
Balance at 31st October 2023	3	3,043,063	3,043,066

The notes form part of these financial statements

**T.E.L.S. TRANSEUROPEAN LOGISTIC SERVICES
LIMITED (REGISTERED NUMBER: 04303303)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	9,912,645	6,430,953
Tax paid		(66,693)	(69,885)
Net cash from operating activities		9,845,952	6,361,068
Cash flows from investing activities			
Purchase of tangible fixed assets		(968)	(3,633)
Purchase of fixed asset investments		(65)	-
Sale of fixed asset investments		3,755	-
Interest received		11,931	40,890
Net cash from investing activities		14,653	37,257
Increase in cash and cash equivalents		9,860,605	6,398,325
Cash and cash equivalents at beginning of year	2	10,000,492	3,602,167
Cash and cash equivalents at end of year	2	19,861,097	10,000,492

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	268,830	120,698
Depreciation charges	235,451	262,614
Finance income	(11,931)	(40,890)
	492,350	342,422
Decrease in trade and other debtors	1,333,664	3,086,883
Increase in trade and other creditors	8,086,631	3,001,648
Cash generated from operations	9,912,645	6,430,953

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st October 2023

	31/10/23	1/11/22
	£	£
Cash and cash equivalents	19,861,097	10,000,492

Year ended 31st October 2022

	31/10/22	1/11/21
	£	£
Cash and cash equivalents	10,000,492	3,602,167

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/22	Cash flow	At 31/10/23
	£	£	£
Net cash			
Cash at bank and in hand	10,000,492	9,860,605	19,861,097
	10,000,492	9,860,605	19,861,097
Total	10,000,492	9,860,605	19,861,097

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2023**

1. STATUTORY INFORMATION

T.E.L.S. Transeuropean Logistic Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

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

Turnover and revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

The company recognises revenue when the outcome of a transaction can be estimated reliably, 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.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Asset Class	Depreciation rate
Fixtures, fittings and equipment	25% Reducing balance basis
Motor vehicles	25% Reducing balance basis
Software/Computer equipment	20% - 33.3% Straight line basis

Investments in associates

Investments in associate undertakings are recognised at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST OCTOBER 2023**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Hire purchase and leasing commitments

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Where goods are sold using finance leases, the entity recognises turnover from the sale of goods and the rights to receive future lease payments as a debtor. Minimum lease payments are apportioned between finance income and the reduction of the lease debtor with finance income allocated so as to produce a constant periodic rate of interest on the net investment in the finance lease.

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2023	2022
	£	£
United Kingdom	31,992	103,056
Europe	21,139,269	24,484,837
Worldwide	66,675,413	41,520,301
	87,846,674	66,108,194

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST OCTOBER 2023**

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	380,871	339,979
Social security costs	<u>88,685</u>	<u>60,521</u>
	<u>469,556</u>	<u>400,500</u>

The average number of employees during the year was as follows:

	2023	2022
Administration and support	<u>41</u>	<u>47</u>

	2023	2022
	£	£
Directors' remuneration	<u>87,429</u>	<u>20,835</u>

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	235,451	262,614
Auditors' remuneration	9,500	6,250
Foreign exchange differences	<u>(4,032)</u>	<u>(4,371)</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Interest received	<u>11,931</u>	<u>40,890</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	108,021	66,693
Deferred tax	<u>(37,162)</u>	<u>(43,760)</u>
Tax on profit	<u>70,859</u>	<u>22,933</u>

UK corporation tax has been charged at 25% .

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST OCTOBER 2023**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	<u>268,830</u>	<u>120,698</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2022 - 19%)	67,208	22,933
Effects of:		
Depreciation in excess of capital allowances	47,486	43,760
Effects of tax rate change	(6,673)	-
Deferred Tax	<u>(37,162)</u>	<u>(43,760)</u>
Total tax charge	<u>70,859</u>	<u>22,933</u>

Corporation tax was charged at a rate of 19% up to the 31st March 2023, From 1st April 2023 corporation tax was charged at a rate of 25%.

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st November 2022	219,428	1,320,409	1,539,837
Additions	968	-	968
At 31st October 2023	<u>220,396</u>	<u>1,320,409</u>	<u>1,540,805</u>
DEPRECIATION			
At 1st November 2022	196,339	918,893	1,115,232
Charge for year	6,014	229,437	235,451
At 31st October 2023	<u>202,353</u>	<u>1,148,330</u>	<u>1,350,683</u>
NET BOOK VALUE			
At 31st October 2023	<u>18,043</u>	<u>172,079</u>	<u>190,122</u>
At 31st October 2022	<u>23,089</u>	<u>401,516</u>	<u>424,605</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST OCTOBER 2023**

9. FIXED ASSET INVESTMENTS

	Investments in associates £
COST	
At 1st November 2022	3,755
Additions	65
Disposals	<u>(3,755)</u>
At 31st October 2023	<u>65</u>
NET BOOK VALUE	
At 31st October 2023	<u>65</u>
At 31st October 2022	<u>3,755</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Associated company

TELS Global CZ s.r.o.

Registered office: Pekarská 621/7, Jinonice, 155 00 Praha 5, Česká republika

Nature of business: International transport

Class of shares:	%
Ordinary	18.81

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	2,937,388	3,714,554
Other debtors	1,279,385	1,841,019
Prepayments and accrued income	<u>7,488</u>	<u>2,352</u>
	<u>4,224,261</u>	<u>5,557,925</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	20,668,275	12,946,908
Corporation Tax	108,021	66,693
Social security and other taxes	13,934	12,741
Other creditors	40,761	41,536
Accruals and deferred income	<u>382,786</u>	<u>17,940</u>
	<u>21,213,777</u>	<u>13,085,818</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST OCTOBER 2023**

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	<u>56,789</u>	<u>19,600</u>

13. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>18,702</u>	<u>55,864</u>

	Deferred tax
	£
Balance at 1st November 2022	55,864
Credit to Income Statement during year	(37,162)
Balance at 31st October 2023	<u>18,702</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
3	Ordinary Shares of £1 each	£1	<u>3</u>	<u>3</u>

15. RESERVES

	Retained earnings
	£
At 1st November 2022	2,845,092
Profit for the year	<u>197,971</u>
At 31st October 2023	<u>3,043,063</u>

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