

Company Registration No. 08850452 (England and Wales)

**MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**LB GROUP**  
**Swift House**  
**Ground Floor**  
**18 Hoffmanns Way**  
**Chelmsford**  
**Essex**  
**UK**  
**CM1 1GU**

WEDNESDAY



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20/12/2017  
COMPANIES HOUSE

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## COMPANY INFORMATION

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<b>Directors</b>	Mr G M Hobson Mr G D Thompson Mr D W Thompson Mr S Motala (Appointed 20 September 2017)
<b>Company number</b>	08850452
<b>Registered office</b>	Swift House Ground Floor 18 Hoffmanns Way Chelmsford Essex UK CM1 1GU
<b>Auditor</b>	LB Group Limited (Chelmsford) Swift House Ground Floor 18 Hoffmanns Way Chelmsford Essex UK CM1 1GU

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# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

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# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2017**

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The directors present the strategic report for the year ended 31 March 2017.

The directors aim to provide a balanced and comprehensive review of the development and performance of the business during the period and its position at the period end. The review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties faced.

### BUSINESS REVIEW

The directors consider that the key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, operating profit and profit on ordinary activities before taxation. The figures are disclosed below:

Turnover £53,661,973 (2016: £46,312,613)

Operating profit £6,485,677 (2016: £5,206,622)

Profit on ordinary activities before taxation £7,321,548 (2016: £4,438,815)

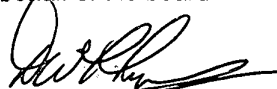
The directors are satisfied with the group's financial position at the year end and are pleased that the group achieved a profit for the year on its trading activities.

The profit attributable to the members of the parent company amount to £5,096,050 compared to £3,360,644 in 2016. The group's capital and reserves have increased by £4,309,654 to £41,984,000.

### RISKS AND UNCERTAINTIES

As for many businesses of this size, the business environment in which the group operates continues to be challenging. The group faces competition in its markets, and is of course subject to consumer and commercial spending patterns and the overall level of disposable income within the economy.

On behalf of the board



Mr D-W Thompson

Director

1/12/17

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2017

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The directors present their annual report and financial statements for the year ended 31 March 2017.

#### Principal activities

The principal activity of the company continued to be that of a holding company, whilst those of the group continued to comprise the following: real estate, storage facilities, waste management, forwarding agents, and haulage logistics.

#### Directors

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

Mr G M Hobson  
Mr G D Thompson  
Mr D W Thompson  
Mr S Motala

(Appointed 20 September 2017)

#### Results and dividends

The results for the year are set out on pages 7 to 8.

Ordinary dividends were paid amounting to £145,210. The directors do not recommend payment of a further dividend.

#### Financial instruments

The group operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the group's activities.

The group's principal financial instruments include derivative financial instruments, the purpose of which is to manage currency risks and interest rate risks arising from the group's activities, and bank overdrafts, loans and corporate bonds, the main purpose of which is to raise finance for the group's operations. In addition, the group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. Derivative transactions which the group enters into principally comprise forward exchange contracts. In accordance with group's treasury policy, derivative instruments are not entered into for speculative purposes.

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

The group is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. The group uses interest rate derivatives to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

The group's principal foreign currency exposures arise from trading with overseas companies. Group policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. This hedging activity involves the use of foreign exchange forward contracts.

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### Disabled persons

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

### Employee involvement

The group's policy is to consult and discuss with employees, through staff councils and at meetings, matters likely to affect employees' interests.

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

### Post reporting date events

After the year end, one of the subsidiary companies, Sutch & Searle Shipping (Heathrow) Limited was sold.


### Auditor

In accordance with the company's articles, a resolution proposing that LB Group Limited (Chelmsford) be reappointed as auditor of the group will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



.....  
Mr D W Thompson

Director

...11/12/17.....

# **MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2017***

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**

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We have audited the financial statements of Moralis Group Limited (Formerly RVLGH Limited) for the year ended 31 March 2017 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2017 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.



# **MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)**

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**Stuart Sheldrick (Senior Statutory Auditor)**  
**for and on behalf of LB Group Limited (Chelmsford)**

**Chartered Accountants**  
**Statutory Auditor**

  
1/2/17

Swift House  
Ground Floor  
18 Hoffmanns Way  
Chelmsford  
Essex  
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CM1 1GU

## MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

### GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Continuing operations £	Discontinued operations £	31 March 2017 £	Continuing operations £	Discontinued operations £	31 March 2016 £
<b>Turnover</b>	<b>3</b>	53,106,347	555,626	53,661,973	45,220,901	1,091,712	46,312,613
Cost of sales		(40,266,370)	(504,761)	(40,771,131)	(34,396,323)	(810,870)	(35,207,193)
<b>Gross profit</b>		12,839,977	50,865	12,890,842	10,824,578	280,842	11,105,420
Administrative expenses		(6,369,834)	64,169	(6,305,665)	(5,686,336)	(234,449)	(5,920,785)
Other operating income		-	-	-	21,987	-	21,987
Exceptional item	<b>4</b>	(99,500)	-	(99,500)	-	-	-
<b>Operating profit</b>	<b>5</b>	6,370,643	115,034	6,485,677	5,160,229	46,393	5,206,622
Interest receivable and similar income	<b>8</b>	52,880	-	52,880	177	-	177
Interest payable and similar expenses	<b>9</b>	(706,153)	(805)	(706,958)	(766,618)	(1,366)	(767,984)
Net gains and losses through fair value adjustments		(180,000)	-	(180,000)	-	-	-
Fair value gains and losses on investment properties	<b>16</b>	1,210,000	-	1,210,000	-	-	-
Profit/(loss) on disposal of operations		459,949	-	459,949	-	-	-
<b>Profit before taxation</b>		7,207,319	114,229	7,321,548	4,393,788	45,027	4,438,815
Tax on profit	<b>10</b>	(2,212,463)	(4,221)	(2,216,684)	(1,076,967)	(7,835)	(1,084,802)
<b>Profit for the financial year</b>		4,994,856	110,008	5,104,864	3,316,821	37,192	3,354,013

## MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

### GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Continuing operations £	Discontinued operations £	31 March 2017 £	Continuing operations £	Discontinued operations £	31 March 2016 £
Profit for the financial year is attributable to:							
- Owners of the parent company				5,096,050			3,360,644
- Non-controlling interests				8,814			(6,631)
				<u>5,104,864</u>			<u>3,354,013</u>

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Profit for the year	5,104,864	3,354,013
Other comprehensive income	-	-
Total comprehensive income for the year	<u>5,104,864</u>	<u>3,354,013</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	5,096,050	3,360,644
- Non-controlling interests	8,814	(6,631)
	<u>5,104,864</u>	<u>3,354,013</u>

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investments	17	18,597,293		18,597,293	
<b>Current assets</b>		-		-	
<b>Creditors: amounts falling due within one year</b>	21	(1,553,747)		(1,099,500)	
<b>Net current liabilities</b>		(1,553,747)		(1,099,500)	
<b>Total assets less current liabilities</b>		17,043,546		17,497,793	
<b>Creditors: amounts falling due after more than one year</b>	22	(298,658)		-	
<b>Net assets</b>		16,744,888		17,497,793	
<b>Capital and reserves</b>					
Called up share capital	27	86,436		86,436	
Share premium account		15,510,857		15,510,857	
Shares held in treasury		(650,000)		-	
Profit and loss reserves		1,797,595		1,900,500	
<b>Total equity</b>		16,744,888		17,497,793	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £31,342 (2016 - £75,000 loss).

The financial statements were approved by the board of directors and authorised for issue on 11/12/17 and are signed on its behalf by:

  
Mr D W Thompson  
Director

Company Registration No. 08850452

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## GROUP BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Goodwill	14	2,213,144		2,774,285	
Tangible assets	15	28,261,470		30,859,498	
Investment properties	16	16,576,278		15,366,278	
		<u>47,050,892</u>		<u>49,000,061</u>	
<b>Current assets</b>					
Stocks	19	1,717,177		3,551,537	
Debtors	20	20,971,642		8,738,177	
Cash at bank and in hand		6,084,613		2,239,855	
		<u>28,773,432</u>		<u>14,529,569</u>	
<b>Creditors: amounts falling due within one year</b>	21	<u>(13,985,170)</u>		<u>(14,349,048)</u>	
<b>Net current assets</b>		<u>14,788,262</u>		<u>180,521</u>	
<b>Total assets less current liabilities</b>		<u>61,839,154</u>		<u>49,180,582</u>	
<b>Creditors: amounts falling due after more than one year</b>	22	(17,487,154)		(9,741,536)	
<b>Provisions for liabilities</b>	25	(2,368,000)		(1,764,700)	
<b>Net assets</b>		<u>41,984,000</u>		<u>37,674,346</u>	
<b>Capital and reserves</b>					
Called up share capital	27	86,436		86,436	
Share premium account		60,940		60,940	
Revaluation reserve		-		10,472	
Other reserves		(3,633,361)		(2,983,361)	
Profit and loss reserves		45,359,922		40,387,647	
<b>Equity attributable to owners of the parent company</b>		<u>41,873,937</u>		<u>37,562,134</u>	
<b>Non-controlling interests</b>		110,063		112,212	
		<u>41,984,000</u>		<u>37,674,346</u>	

The financial statements were approved by the board of directors and authorised for issue on 11/12/17 and are signed on its behalf by:

  
 Mr D W Thompson  
 Director

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Share capital £	Share premium account £	Own shares £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		86,436	15,510,857	-	2,001,000	17,598,293
<b>Year ended 31 March 2016:</b>						
Loss and total comprehensive income for the year		-	-	-	(75,000)	(75,000)
Issue of share capital	27	11,530	-	-	-	11,530
Dividends	13	-	-	-	(25,500)	(25,500)
Other movements		(11,530)	-	-	-	(11,530)
<b>Balance at 31 March 2016</b>		86,436	15,510,857	-	1,900,500	17,497,793
<b>Year ended 31 March 2017:</b>						
Profit and total comprehensive income for the year		-	-	-	31,342	31,342
Dividends	13	-	-	-	(134,247)	(134,247)
Own shares acquired		-	-	(650,000)	-	(650,000)
<b>Balance at 31 March 2017</b>		86,436	15,510,857	(650,000)	1,797,595	16,744,888

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Other reserves £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
<b>Balance at 1 April 2015</b>		86,436	60,940	13,965	(2,983,376)	37,049,010	34,226,975	118,843	34,345,818
<b>Year ended 31 March 2016:</b>									
Profit and total comprehensive income for the year	13	-	-	-	-	3,360,644	3,360,644	(6,631)	3,354,013
Dividends		-	-	-	-	(25,500)	(25,500)	-	(25,500)
Transfers		-	-	(3,493)	-	3,493	-	-	-
Other movements		-	-	-	15	-	15	-	15
<b>Balance at 31 March 2016</b>		86,436	60,940	10,472	(2,983,361)	40,387,647	37,562,134	112,212	37,674,346
<b>Year ended 31 March 2017:</b>									
Profit and total comprehensive income for the year	13	-	-	-	-	5,096,050	5,096,050	8,814	5,104,864
Dividends		-	-	-	-	(134,247)	(134,247)	(10,963)	(145,210)
Own shares acquired		-	-	-	(650,000)	-	(650,000)	-	(650,000)
Transfers		-	-	(10,472)	-	10,472	-	-	-
<b>Balance at 31 March 2017</b>		86,436	60,940	-	(3,633,361)	45,359,922	41,873,937	110,063	41,984,000



# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	32	(1,280,486)		9,125,599	
Interest paid		(706,958)		(767,984)	
Income taxes paid		(692,282)		(1,401,475)	
<b>Net cash (outflow)/inflow from operating activities</b>		(2,679,726)		6,956,140	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,473,344)		(6,892,658)	
Proceeds on disposal of tangible fixed assets		1,745,422		623,135	
Proceeds from other investments and loans		618,911		(353,188)	
Interest received		52,880		177	
<b>Net cash used in investing activities</b>		(56,131)		(6,622,534)	
<b>Financing activities</b>					
Purchase of treasury shares		(650,000)		-	
Movement of borrowings		298,658		250	
Movement of bank loans		8,458,148		(1,769,504)	
Movement of finance leases obligations		(1,542,009)		2,391,479	
Dividends paid to equity shareholders		(134,247)		(25,500)	
Dividends paid to non-controlling interests		(10,963)		-	
<b>Net cash generated from financing activities</b>		6,419,587		596,725	
<b>Net increase in cash and cash equivalents</b>		3,683,730		930,331	
Cash and cash equivalents at beginning of year		1,779,654		849,323	
<b>Cash and cash equivalents at end of year</b>		5,463,384		1,779,654	
<b>Relating to:</b>					
Cash at bank and in hand		6,084,613		2,239,855	
Bank overdrafts included in creditors payable within one year		(621,229)		(460,201)	

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## GROUP STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 2 Accounting policies

#### Company information

Moralis Group Limited (Formerly RVLGH Limited) ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Swift House, Ground Floor, 18 Hoffmanns Way, Chelmsford, Essex, UK, CM1 1GU.

The group consists of Moralis Group Limited (Formerly RVLGH Limited) and all of its direct and indirect subsidiaries.

#### 2.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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### 2 Accounting policies

(Continued)

#### 2.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Moralis Group Limited (Formerly RVLGH Limited) and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 2.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 2.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 2.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 2 Accounting policies

(Continued)

#### 2.6 Tangible fixed assets

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

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

Freehold land and buildings	2% straight line
Leasehold land and buildings	over the length of the lease
Plant and equipment	10% straight line
Fixtures and fittings	20% straight line
Computers	33.33% straight line
Motor vehicles	25% / 33.33% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historic cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

#### 2.7 Investment properties

Investment property, which is property held to earn rentals and / or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Gains or losses arising from changes in the fair value of investment property are included in profit and loss account for the period in which they arise

#### 2.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 2 Accounting policies

(Continued)

#### 2.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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

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

#### 2.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

#### 2.11 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 2.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 2 Accounting policies

(Continued)

#### **Other financial assets**

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

#### **Classification of financial liabilities**

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

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **2.13 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### **2.14 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **2.15 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 2 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **2.16 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **2.17 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **2.18 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **2.19 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 3 Turnover and other revenue

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

	2017 £	2016 £
<b>Turnover analysed by class of business</b>		
Real Estate	13,723,243	6,051,031
Storage Facilities	913,363	852,828
Waste Management	35,194,803	34,702,200
Forwarding Agents	1,823,924	3,246,949
Haulage Logistics	2,006,640	1,459,605
	<u>53,661,973</u>	<u>46,312,613</u>

	2017 £	2016 £
<b>Other significant revenue</b>		
Interest income	<u>52,880</u>	<u>177</u>

	2017 £	2016 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	51,585,911	43,379,505
Overseas	<u>2,076,062</u>	<u>2,933,108</u>
	<u>53,661,973</u>	<u>46,312,613</u>

4	Exceptional costs	2017 £	2016 £
	Loan write off	<u>99,500</u>	<u>-</u>

5	Operating profit	2017 £	2016 £
	Operating profit for the year is stated after charging/(crediting):		
	Exchange gains	(14,312)	(743)
	Depreciation of owned tangible fixed assets	1,640,722	1,372,556
	Depreciation of tangible fixed assets held under finance leases	1,648,304	1,647,908
	Loss on disposal of tangible fixed assets	36,924	114,575
	Amortisation of intangible assets	242,011	227,400
	Impairment of intangible assets	319,131	-
	Cost of stocks recognised as an expense	<u>7,207,599</u>	<u>6,322,581</u>



# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 5 Operating profit

(Continued)

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £14,312 (2016 - £1,907).

### 6 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	-	-
Audit of the financial statements of the company's subsidiaries	45,366	55,497
<b>For other services</b>		
Taxation compliance services	20,160	16,077

### 7 Employees

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

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Distribution	197	230	-	-
Production	1	70	-	-
Admin	56	5	-	-
Managment	7	-	-	-
Drivers	23	-	-	-
	284	305	-	-

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	10,616,359	10,121,891	-	-
Social security costs	1,125,329	1,074,366	-	-
Pension costs	136,183	149,312	-	-
	11,877,871	11,345,569	-	-

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 8 Interest receivable and similar income

	2017 £	2016 £
<b>Interest income</b>		
Interest on bank deposits	1,538	177
Other interest income	51,342	-
<b>Total income</b>	<b>52,880</b>	<b>177</b>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,538	177
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### 9 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	88,771	210,230
Interest on finance leases and hire purchase contracts	235,802	192,625
Other interest on financial liabilities	322,871	280,521
	<b>647,444</b>	<b>683,376</b>
<b>Other finance costs:</b>		
Other interest	59,514	84,608
<b>Total finance costs</b>	<b>706,958</b>	<b>767,984</b>

### 10 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,699,210	1,036,010
Adjustments in respect of prior periods	(85,826)	37,592
<b>Total current tax</b>	<b>1,613,384</b>	<b>1,073,602</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	603,300	11,200
<b>Total tax charge for the year</b>	<b>2,216,684</b>	<b>1,084,802</b>

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	7,321,548	4,438,815
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	1,464,310	887,763
Tax effect of expenses that are not deductible in determining taxable profit	39,087	47,563
Tax effect of income not taxable in determining taxable profit	(30,578)	-
Tax effect of utilisation of tax losses not previously recognised	-	60,370
Unutilised tax losses carried forward	63,084	5,493
Permanent capital allowances in excess of depreciation	(528,924)	(589,582)
Depreciation on assets not qualifying for tax allowances	641,751	585,815
Amortisation on assets not qualifying for tax allowances	48,959	38,588
Under/(over) provided in prior years	(85,825)	(163,921)
Deferred tax adjustments in respect of prior years	603,800	11,200
Historic Liability	1,020	201,513
Taxation charge for the year	2,216,684	1,084,802

#### 11 Discontinued operations

The discontinued operations relate to Sutch & Searle Shipping and its subsidiary Sutch & Searle BV. Sutch and Searle Shipping was placed into liquidation in October 2016.

#### 12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2017 £	2016 £
In respect of:			
Goodwill	14	319,131	-
Recognised in:			
Administrative expenses		319,131	-

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 13 Dividends

	2017 £	2016 £
Final paid	134,247	25,500

### 14 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 April 2016 and 31 March 2017	4,484,325
<b>Amortisation and impairment</b>	
At 1 April 2016	1,710,039
Amortisation charged for the year	242,011
Impairment losses	319,131
At 31 March 2017	2,271,181
<b>Carrying amount</b>	
At 31 March 2017	2,213,144
At 31 March 2016	2,774,285

The company had no intangible fixed assets at 31 March 2017 or 31 March 2016.

More information on the impairment arising in the year is given in note 12.

## MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

#### 15 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 April 2016	17,518,847	2,673,348	9,484,843	79,044	138,785	10,900,627	40,795,494
Additions	-	391,226	1,200,407	1,815	13,262	866,634	2,473,344
Disposals	(1,100,000)	(17,463)	(618,080)	-	(12,142)	(416,220)	(2,163,905)
At 31 March 2017	16,418,847	3,047,111	10,067,170	80,859	139,905	11,351,041	41,104,933
<b>Depreciation and impairment</b>							
At 1 April 2016	84,254	357,080	3,564,493	53,532	93,584	5,783,053	9,935,996
Depreciation charged in the year	41,027	106,694	1,339,823	10,824	23,840	1,766,818	3,289,026
Eliminated in respect of disposals	-	(219)	(48,064)	-	(6,951)	(326,325)	(381,559)
At 31 March 2017	125,281	463,555	4,856,252	64,356	110,473	7,223,546	12,843,463
<b>Carrying amount</b>							
At 31 March 2017	16,293,566	2,583,556	5,210,918	16,503	29,432	4,127,495	28,261,470
At 31 March 2016	17,434,593	2,316,267	5,900,489	25,511	49,291	5,133,347	30,859,498

The company had no tangible fixed assets at 31 March 2017 or 31 March 2016.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 15 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2017 £	2016 £	Company 2017 £	2016 £
Plant and equipment	2,569,022	3,373,970	-	-
Motor vehicles	2,742,889	4,025,698	-	-
	<u>5,311,911</u>	<u>7,399,668</u>	<u>-</u>	<u>-</u>
Dépreciation charge for the year in respect of leased assets	<u>1,648,304</u>	<u>1,647,908</u>	<u>-</u>	<u>-</u>

Freehold land and buildings comprises £16,418,847. The fair value of the freehold property has been arrived at on the basis of a number of valuations carried out both by Chartered Surveyors, who are not connected with the company, and the company's directors. The valuations have made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 16 Investment property

	Group 2017 £	Company 2017 £
<b>Fair value</b>		
At 1 April 2016 and 31 March 2017	15,366,278	-
Net gains or losses through fair value adjustments	<u>1,210,000</u>	<u>-</u>
At 31 March 2017	<u>16,576,278</u>	<u>-</u>

Investment property comprises £16,576,278. The fair value of the investment property has been arrived at on the basis of a number of valuations carried out both by Chartered Surveyors, who are not connected with the company, and the company's directors. The valuations have made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 17 Fixed asset investments

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Notes</b>				
Investments in subsidiaries	<u>-</u>	<u>-</u>	<u>18,597,293</u>	<u>18,597,293</u>

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 17 Fixed asset investments

(Continued)

The company owns 100% of the ordinary issued share capital of the companies listed below, either directly or indirectly via immediate companies. All companies below are incorporated in England and Wales unless otherwise stated:

Development and investment in real estate:

RVL Properties Limited

William Thompson Homes Limited

Provision of storage facilities:

GBN Self Store Limited

Waste management and waste disposal:

GBN Services Limited

Haulage logistics:

GBN Logistics Limited

Dormant and Holding Companies:

RVL Holdings Plc - a holding company

Cubic 2 Limited

F Darlington Limited

Prodigy Research and Development Limited

Uxbridge Skip Hire Limited

Uxbridge Skip Hire Holdings Limited

Uxbridge Skip Hire Properties Limited

NSM Waste Services Limited

Woodland Way Management Co Limited

The company owns 75% of the issued share capital of the company listed below:

Forwarding agents and storage:

Sutch & Searle Shipping (Heathrow) Limited

All subsidiaries are included in the consolidation.

Sutch & Searle Shipping (Heathrow) Limited was sold after the year end.

#### Movements in fixed asset investments

##### Company

Shares in  
group  
undertakings  
£

##### Cost or valuation

At 1 April 2016 and 31 March 2017

18,597,293

##### Carrying amount

At 31 March 2017

18,597,293

At 31 March 2016

18,597,293

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 18 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	18,667,780	7,641,432	-	-
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	28,542,704	22,042,001	1,852,405	1,099,500

### 19 Stocks

	Group 2017 £	2016 £	Company 2017 £	2016 £
Raw materials and consumables	37,025	73,322	-	-
Work in progress	1,680,152	3,478,215	-	-
	1,717,177	3,551,537	-	-

### 20 Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Amounts falling due within one year:</b>				
Trade debtors	6,893,915	6,836,186	-	-
Corporation tax recoverable	224	1,026	-	-
Other debtors	11,860,484	855,845	-	-
Prepayments and accrued income	2,217,019	1,045,120	-	-
	20,971,642	8,738,177	-	-



# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 21 Creditors: amounts falling due within one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	23	1,462,620	1,382,534	-	-
Obligations under finance leases	24	1,886,016	2,335,895	-	-
Other borrowings	23	128,750	128,750	-	-
Trade creditors		2,195,278	2,774,404	-	-
Amounts due to group undertakings		-	-	1,008,747	774,500
Corporation tax payable		1,956,269	1,035,970	-	-
Other taxation and social security		973,351	1,012,613	-	-
Other creditors		4,277,125	3,430,763	450,000	250,000
Accruals and deferred income		1,105,761	2,248,119	95,000	75,000
		<u>13,985,170</u>	<u>14,349,048</u>	<u>1,553,747</u>	<u>1,099,500</u>

The hire purchase and finance leases are secured on the individual assets to which they relate.

Included within other creditors is £3,584,980 (2016: £2,816,409) invoice discounting secured on the trade debtors to which they relate.

Bank loans under one year are secured against the properties and trades to which they relate. As at the year end, within the group, debentures and fixed and floating charges were held by National Westminster Bank Plc and Barclays Bank Plc.

#### 22 Creditors: amounts falling due after more than one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	23	15,291,274	6,752,184	-	-
Obligations under finance leases	24	1,897,222	2,989,352	-	-
Other borrowings	23	298,658	-	298,658	-
		<u>17,487,154</u>	<u>9,741,536</u>	<u>298,658</u>	<u>-</u>

The hire purchase and finance leases are secured on the individual assets to which they relate.

Bank loans over one year are secured against the properties and trades to which they relate. At the year end, within the group, debentures and fixed and floating charges were held by National Westminster Bank Plc and Barclays Bank Plc.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>11,200,411</u>	<u>-</u>	<u>-</u>	<u>-</u>
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# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 23 Loans and overdrafts

	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans	16,132,665	7,674,517	-	-
Bank overdrafts	621,229	460,201	-	-
Other loans	427,408	128,750	298,658	-
	<u>17,181,302</u>	<u>8,263,468</u>	<u>298,658</u>	<u>-</u>
Payable within one year	1,591,370	1,511,284	-	-
Payable after one year	<u>15,589,932</u>	<u>6,752,184</u>	<u>298,658</u>	<u>-</u>
Amounts included above which fall due after five years:				
Payable by instalments	<u>11,200,411</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 24 Finance lease obligations

	Group 2017 £	2016 £	Company 2017 £	2016 £
Future minimum lease payments due under finance leases:				
Within one year	1,886,016	2,335,895	-	-
In two to five years	<u>1,897,222</u>	<u>2,989,352</u>	<u>-</u>	<u>-</u>
	<u>3,783,238</u>	<u>5,325,247</u>	<u>-</u>	<u>-</u>

### 25 Deferred taxation

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

Group	Liabilities 2017 £	Liabilities 2016 £
Accelerated capital allowances	40,000	19,100
Investment property	<u>2,328,000</u>	<u>1,745,600</u>
	<u>2,368,000</u>	<u>1,764,700</u>

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 25 Deferred taxation

(Continued)

The company has no deferred tax assets or liabilities.

	Group 2017 £	Company 2017 £
<b>Movements in the year:</b>		
Liability at 1 April 2016	1,764,700	-
Charge to profit or loss	725,799	-
Effect of change in tax rate - profit or loss	(122,499)	-
Liability at 31 March 2017	2,368,000	-

### 26 Retirement benefit schemes

	2017 £	2016 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	136,183	149,312

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The number of directors who accrued benefits under company pension schemes was 2 (2016: 2).

### 27 Share capital

	Group and company 2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
74,905 Ordinary A of £1 each	74,905	74,905
1 Ordinary B of £1 each	1	1
11,530 Preference of £1 each	11,530	11,530
	86,436	86,436

### 28 Other reserves

During the year the company bought back 9075 £1 Ordinary A shares for a total consideration of £650,000. These shares are being held in treasury.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 29 Operating lease commitments

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

	Group 2017 £	2016 £	Company 2017 £	2016 £
Within one year	1,460,873	1,947,919	-	-
Between two and five years	-	130,000	-	-
	<u>1,460,873</u>	<u>2,077,919</u>	<u>-</u>	<u>-</u>

### 30 Related party transactions

The group has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclose transaction with group entities that are wholly owned.

#### Group

At the balance sheet date:

Included within creditors is £128,750 (2016: £128,750) owed to the RVL Directors Pension Fund.

Included within debtors is £9,564,695 (2016: £29,475) and included within other creditors is £NIL (2016: £98,571), owed by and owing to AGS Oilfield Services Limited, a connected company by virtue of the directors' interests.

The following balances were (owed to) / owed by the directors:

Mr D W Thompson - £76,407 (2016: £95,199 )

Mr G Hobson - £(3,776) (2016: £(5))

Mr G D Thompson - £13,891(2016: £264,828 )

These amounts represent non interest bearing loans and are repayable on demand.

### 31 Post balance sheet event

After the year end, one of the subsidiary companies, Sutch & Searle Shipping (Heathrow) Limited, was sold by RVL Holdings Limited on 18 July 2017 to Simarco International Limited.

# MORALIS GROUP LIMITED (FORMERLY RVLGH LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 32 Cash generated from group operations

	2017 £	2016 £
Profit for the year after tax	5,104,863	3,354,010
Adjustments for:		
Taxation charged	2,216,684	1,084,802
Finance costs	706,958	767,984
Investment income	(52,880)	(177)
Loss on disposal of tangible fixed assets	36,924	114,575
Amortisation and impairment of intangible assets	561,142	227,400
Depreciation and impairment of tangible fixed assets	3,289,026	3,020,464
Amounts written off investments	(1,489,949)	-
Movements in working capital:		
Decrease in stocks	1,834,360	156,414
(Increase)/decrease in debtors	(12,573,229)	135,390
(Decrease)/increase in creditors	(914,385)	264,737
<b>Cash (absorbed by)/generated from operations</b>	<b>(1,280,486)</b>	<b>9,125,599</b>