

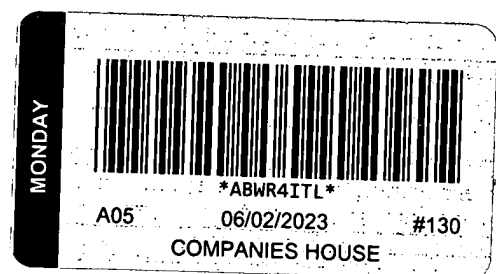
Registration number: 11621575

EFS Global Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2022

Kneeshaws
Chartered Accountants & Statutory Auditors
Fourth Floor
St James House
St James's Row
Burnley
Lancashire
BB11 1DR



EFS Global Limited

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EFS Global Limited

Company Information

Directors	M D Jones J Jones Mr R J Thomas
Registered office	EFS Global Pendle House Phoenix Way Burnley Lancashire BB11 5SX
Auditors	Kneeshaws Chartered Accountants & Statutory Auditors Fourth Floor St James House St James's Row Burnley Lancashire BB11 1DR

EFS Global Limited

Strategic Report for the Year Ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

Principal activity

The principal activity of the group is the provision of freight services and road haulage.

Fair review of the business

The group has continued to grow and improve its performance in the year ended 31 March 2022. Turnover and profitability has been positively impacted by strong performance in both the road haulage and freight forwarding sectors, along with contribution from company acquisitions made in the prior year.

Turnover growth has been driven by organic and acquisitive growth, supplemented by higher global shipping rates and inflationary impacts of fuel prices and drivers wages. This growth, in conjunction with careful cost control and efficient use of resources has enabled the group to improve gross profit margins and overall profitability. This has been achieved despite the challenges of COVID-19, Brexit and inflationary pressures in the sector. The directors are satisfied with the results for the year.

Since the year end, the group has performed in line with the directors expectations.

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

Financial KPIs	Unit	2022	2021
Turnover	£	69,432,986	44,474,964
Gross profit margin	%	20	15
Profit before tax	£	3,594,587	1,858,758
Net assets	£	8,107,538	5,475,301

Principal risks and uncertainties

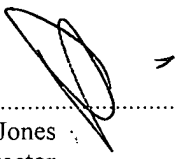
The directors of the group manage the group's risk significantly in conjunction with the management of fuel consumption, drivers' wages and subcontractors' costs.

The fuel cost fluctuation is an industry-wide factor caused by oil prices and government fuel tariffs. The group closely monitors fuel prices, and strives to make price conscious fuel purchase policies where possible, and keeps vehicles well maintained to ensure maximum efficiency.

Due to the mobility of the driver market we seek to maintain driver/subcontractor satisfaction and training, which benefits all parties.

The group's operations are exposed to a variety of financial risks that include the effects of changes to customer credit risk, supply chain risk and trading seasonality. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group.

Approved and authorised by the Board on 11 January 2023 and signed on its behalf by:


.....
M Jones
Director

EFS Global Limited

Directors' Report for the Year Ended 31 March 2022

The directors present their report and the for the year ended 31 March 2022.

Directors of the group

The directors who held office during the year were as follows:

M D Jones

J Jones

The following director was appointed after the year end:

Mr R J Thomas (appointed 9 November 2022)

Risk policies

As required by schedule 7.6(1)(a) and 7.6(1)(b) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 the following information required to be disclosed in the directors report has been disclosed in the Strategic Report on page 2:

- an indication of the financial risk management objectives and policies,
- an indication of the different risks the company is exposed to.

Employment of disabled persons

Disabled persons are given full and fair consideration for all types of vacancy. If an existing employee becomes disabled, such steps that are practicable and reasonable are taken to retain him or her in employment. Where appropriate, assistance with rehabilitation and suitable training are given. Disabled persons have equal opportunities for training, career development and promotion, except insofar as such opportunities are constrained by the practical limitations of their disability.

Employee involvement

Within the bounds of commercial responsibility, staff at all levels are kept fully informed of matters that affect the progress of the company and are of interest to them as employees. The company aims to recruit and retain sufficient skilled and motivated employees to meet the needs of the business. The required skills are defined and employees are encouraged to acquire additional skills where appropriate.

Future developments

The group is continuing in its policy of making company acquisitions each year in order to grow its income streams and asset base. In the already challenging global and UK markets, which have been complicated by COVID-19 and Brexit issues, the group has weathered the storm and since the year end the group has continued to grow and outperform expectations.

Research and development

The company will continue its policy of investment in research and development in order to retain a competitive position in the market.

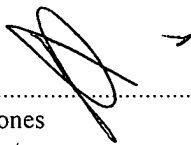
EFS Global Limited

Directors' Report for the Year Ended 31 March 2022

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 11 January 2023 and signed on its behalf by:


.....
M Jones
Director

EFS Global Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 the 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the 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 the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EFS Global Limited

Independent Auditor's Report to the Members of EFS Global Limited

Opinion

We have audited the financial statements of EFS Global Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and 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 group's and the parent company's affairs as at 31 March 2022 and of the group's 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

EFS Global Limited

Independent Auditor's Report to the Members of EFS Global Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are 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 directors determine is 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

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

EFS Global Limited

Independent Auditor's Report to the Members of EFS Global Limited

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:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the director and other management (as required by auditing standards), and from inspection of the company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items.

Secondly, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery and certain aspects of company legislation recognising the financial nature of the company's activities. Auditing standards, limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we are not aware of actual or suspected non-compliance and this did not affect our procedures on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

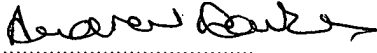
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 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.

EFS Global Limited

Independent Auditor's Report to the Members of EFS Global Limited



.....
Andrew Davies BFP FCA (Senior Statutory Auditor)
For and on behalf of Kneeshaws, Statutory Auditor

Fourth Floor
St James House
St James's Row
Burnley
Lancashire
BB11 1DR

11 January 2023

EFS Global Limited

Consolidated Profit and Loss Account for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Turnover	3	69,432,986	44,474,964
Cost of sales		<u>(55,858,199)</u>	<u>(37,711,497)</u>
Gross profit		13,574,787	6,763,467
Administrative expenses		(10,081,819)	(5,371,433)
Other operating income	4	<u>515,393</u>	<u>757,562</u>
Operating profit	5	<u>4,008,361</u>	<u>2,149,596</u>
Income from other fixed assets investments		-	5,615
Other interest receivable and similar income	6	61,603	49,973
Interest payable and similar expenses	7	<u>(475,377)</u>	<u>(346,426)</u>
		<u>(413,774)</u>	<u>(290,838)</u>
Profit before tax		3,594,587	1,858,758
Tax on profit	11	<u>(762,747)</u>	<u>(550,040)</u>
Profit for the financial year		<u>2,831,840</u>	<u>1,308,718</u>
Profit/(loss) attributable to:			
Owners of the company		2,703,201	1,307,967
Minority interests		<u>128,639</u>	<u>751</u>
		<u>2,831,840</u>	<u>1,308,718</u>

The notes on pages 17 to 37 form an integral part of these financial statements.

EFS Global Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2022

	2022 £	2021 £
Profit for the year	<u>2,831,840</u>	<u>1,308,718</u>
Surplus on property, plant and equipment revaluation	-	844
Deficit on revaluation of other assets	<u>-</u>	<u>(3,750)</u>
	<u>-</u>	<u>(2,906)</u>
Total comprehensive income for the year	<u><u>2,831,840</u></u>	<u><u>1,305,812</u></u>
Total comprehensive income attributable to:		
Owners of the company	2,703,201	1,305,061
Minority interests	<u>128,639</u>	<u>751</u>
	<u><u>2,831,840</u></u>	<u><u>1,305,812</u></u>

The notes on pages 17 to 37 form an integral part of these financial statements.

EFS Global Limited

(Registration number: 11621575)

Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	11	8,544,926	7,095,150
Tangible assets	12	6,548,442	5,608,562
Investment property	13	1,218,000	1,218,000
Investments	14	237	237
		<u>16,311,605</u>	<u>13,921,949</u>
Current assets			
Stocks	15	523,366	491,192
Debtors	16	21,351,707	11,632,294
Cash at bank and in hand		<u>985,566</u>	<u>1,638,700</u>
		22,860,639	13,762,186
Creditors: Amounts falling due within one year	18	<u>(23,736,600)</u>	<u>(15,418,549)</u>
Net current liabilities		<u>(875,961)</u>	<u>(1,656,363)</u>
Total assets less current liabilities		15,435,644	12,265,586
Creditors: Amounts falling due after more than one year	18	(6,665,486)	(6,270,677)
Provisions for liabilities	19	<u>(662,620)</u>	<u>(519,608)</u>
Net assets		<u>8,107,538</u>	<u>5,475,301</u>
Capital and reserves			
Called up share capital	21	249	249
Share premium reserve		604,357	604,357
Revaluation reserve		315,973	320,414
Other reserves		(147,500)	(147,500)
Retained earnings		<u>7,205,068</u>	<u>4,697,029</u>
Equity attributable to owners of the company		7,978,147	5,474,549
Minority interests		<u>129,391</u>	<u>752</u>
Shareholders' funds		<u>8,107,538</u>	<u>5,475,301</u>

Approved and authorised by the Board on 11 January 2023 and signed on its behalf by:

.....
M Jones
Director

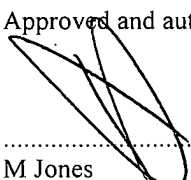
EFS Global Limited

(Registration number: 11621575) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	14	4,144,804	2,276,866
Current assets			
Debtors	16	1,170,949	1,190,422
Cash at bank and in hand		3,217	-
		<u>1,174,166</u>	<u>1,190,422</u>
Creditors: Amounts falling due within one year	18	<u>(2,858,568)</u>	<u>(1,435,888)</u>
Net current liabilities		<u>(1,684,402)</u>	<u>(245,466)</u>
Total assets less current liabilities		2,460,402	2,031,400
Creditors: Amounts falling due after more than one year	18	<u>(1,475,124)</u>	<u>(922,207)</u>
Net assets		<u>985,278</u>	<u>1,109,193</u>
Capital and reserves			
Called up share capital	21	249	249
Share premium reserve		604,357	604,357
Retained earnings		<u>380,672</u>	<u>504,587</u>
Shareholders' funds		<u>985,278</u>	<u>1,109,193</u>

The company made a profit after tax for the financial year of £75,688 (2021 - profit of £278,382).

Approved and authorised by the Board on 11 January 2023 and signed on its behalf by:



 M Jones
 Director

EFS Global Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2022
Equity attributable to the parent company

	Share capital £	Share premium £	Revaluation reserve £	Merger reserve £	Retained earnings £	Total £	Non- controlling interests £	Total equity £
At 1 April 2021	249	604,357	320,414	(147,500)	4,935,121	5,712,641	752	5,713,393
Prior period adjustment	-	-	-	-	(238,092)	(238,092)	-	(238,092)
At 1 April 2021 (As restated)	249	604,357	320,414	(147,500)	4,697,029	5,474,549	752	5,475,301
Profit for the year	-	-	-	-	2,703,201	2,703,201	128,639	2,831,840
Other comprehensive income	-	-	(4,441)	-	4,441	-	-	-
Total comprehensive income	-	-	(4,441)	-	2,707,642	2,703,201	128,639	2,831,840
Dividends	-	-	-	-	(199,603)	(199,603)	-	(199,603)
At 31 March 2022	249	604,357	315,973	(147,500)	7,205,068	7,978,147	129,391	8,107,538
	Share capital £	Share premium £	Revaluation reserve £	Merger reserve £	Retained earnings £	Total £	Non- controlling interests £	Total equity £
At 1 April 2020	249	604,357	327,761	(147,500)	3,584,224	4,369,091	-	4,369,091
Profit for the year	-	-	-	-	1,307,967	1,307,967	751	1,308,718
Other comprehensive income	-	-	(7,347)	-	4,441	(2,906)	-	(2,906)
Total comprehensive income	-	-	(7,347)	-	1,312,408	1,305,061	751	1,305,812
Dividends	-	-	-	-	(199,603)	(199,603)	-	(199,603)
Increase in ownership interests in subsidiaries	-	-	-	-	-	-	1	1
At 31 March 2021	249	604,357	320,414	(147,500)	4,697,029	5,474,549	752	5,475,301

The notes on pages 17 to 37 form an integral part of these financial statements.

EFS Global Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 April 2021	249	604,357	504,587	1,109,193
Profit for the year	-	-	75,688	75,688
Dividends	-	-	(199,603)	(199,603)
At 31 March 2022	249	604,357	380,672	985,278
	Share capital £	Share premium £	Retained earnings £	Total £
At 1 April 2020	249	604,357	425,808	1,030,414
Profit for the year	-	-	278,382	278,382
Dividends	-	-	(199,603)	(199,603)
At 31 March 2021	249	604,357	504,587	1,109,193

The notes on pages 17 to 37 form an integral part of these financial statements.

EFS Global Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		2,831,840	1,308,718
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	2,715,271	2,206,699
Finance income		(61,603)	(49,973)
Finance costs		475,377	346,426
Income tax expense	11	762,747	550,040
		<u>6,723,632</u>	<u>4,361,910</u>
Working capital adjustments			
(Increase)/decrease in stocks	16	(32,174)	17,581
Increase in trade debtors	17	(9,623,069)	(2,076,714)
Increase in trade creditors	19	3,982,541	1,572,405
Increase in provisions	20	-	4,895
(Decrease)/increase in deferred income, including government grants		<u>(8,169)</u>	<u>27,214</u>
Cash generated from operations		1,042,761	3,907,291
Income taxes paid	11	<u>(73,041)</u>	<u>(336,263)</u>
Net cash flow from operating activities		<u>969,720</u>	<u>3,571,028</u>
Cash flows from investing activities			
Interest received		61,603	49,973
Acquisitions of tangible assets		(2,798,334)	(585,495)
Proceeds from sale of tangible assets		328,737	635,727
Acquisition of intangible assets	12	(2,665,239)	(1,401,701)
Proceeds from sale of intangible assets		<u>-</u>	<u>6,250</u>
Net cash flows from investing activities		<u>(5,073,233)</u>	<u>(1,295,246)</u>
Cash flows from financing activities			
Interest paid		(475,377)	(346,426)
Proceeds from bank borrowing draw downs		-	2,664,342
Repayment of bank borrowing		(543,665)	(1,430,000)
Proceeds from /(repayment of) other borrowings		3,738,599	(949,014)
Proceeds from / (payments to) finance lease creditors		921,166	(948,510)
Dividends paid		<u>(199,603)</u>	<u>(199,603)</u>
Net cash flows from financing activities		<u>3,441,120</u>	<u>(1,209,211)</u>
Net (decrease)/increase in cash and cash equivalents		(662,393)	1,066,571
Cash and cash equivalents at 1 April		<u>1,638,306</u>	<u>571,735</u>
Cash and cash equivalents at 31 March		<u><u>975,913</u></u>	<u><u>1,638,306</u></u>

The notes on pages 17 to 37 form an integral part of these financial statements.

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

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

The address of its registered office is:

EFS Global
Pendle House
Phoenix Way
Burnley
Lancashire
BB11 5SX

These financial statements were authorised for issue by the Board on 11 January 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2022.

No profit and loss account is presented for the company as permitted by section 408(3) of the Companies Act 2006. Its profit for the financial year was £75,688 (2021 - £278,382).

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the financial position and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of judgements are set out in the accounting policies.

Revenue recognition

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

The group recognises revenue when:

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

Foreign currency transactions and balances

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

Tax

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

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

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

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

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

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

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Depreciation

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

Asset class	Depreciation method and rate
Freehold property	2% per annum straight line basis
Long leasehold property	10% per annum straight line basis
Short leasehold property	Over the terms of the lease
Fixtures and fittings	15% per annum reducing balance basis
Equipment	33% per annum reducing balance basis
Motor vehicles	25% per annum reducing balance basis
Cabin	10% per annum reducing balance basis
Plant and machinery	25% per annum reducing balance basis

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 10 years straight line basis

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

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

Trade debtors

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

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Trade creditors

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

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

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

Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Defined contribution pension obligation

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

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

Financial instruments

Classification

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financial transaction, where it is recognised at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

3 Turnover

The analysis of the group's turnover for the year from continuing operations is as follows:

	2022 £	2021 £
Sale of goods and services	69,432,986	44,543,224
Other revenue	-	(68,260)
	<u>69,432,986</u>	<u>44,474,964</u>

The analysis of the group's turnover for the year by market is as follows:

	2022 £	2021 £
UK	67,288,120	43,121,492
Europe	2,144,866	1,353,472
	<u>69,432,986</u>	<u>44,474,964</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2022 £	2021 £
Government grants	43,000	54,699
Rent receivable	146,055	134,925
Miscellaneous other operating income	326,338	567,938
	<u>515,393</u>	<u>757,562</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

5 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	1,499,807	1,191,302
Amortisation expense	1,215,464	1,015,397
Operating lease expense - plant, machinery and motor vehicles	835,099	679,594
Operating lease expense - other	<u>16,764</u>	<u>103,401</u>

6 Other interest receivable and similar income

	2022	2021
	£	£
Interest income on bank deposits	4	2,711
Other finance income	<u>61,599</u>	<u>47,262</u>
	<u>61,603</u>	<u>49,973</u>

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and borrowings	120,720	90,163
Interest on obligations under finance leases and hire purchase contracts	174,507	120,433
Interest expense on other finance liabilities	74,918	96,640
Foreign exchange losses	(1,382)	(27,776)
Other finance costs	<u>106,614</u>	<u>66,966</u>
	<u>475,377</u>	<u>346,426</u>

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	9,530,127	6,371,870
Social security costs	836,506	544,892
Pension costs, defined contribution scheme	159,002	110,180
Other employee expense	<u>35,195</u>	<u>20,302</u>
	<u>10,560,830</u>	<u>7,047,244</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

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

	2022 No.	2021 No.
Administration	41	69
Cost of sales	245	186
Management	2	2
	<u>288</u>	<u>257</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	<u>7,179</u>	<u>11,281</u>

10 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	<u>16,977</u>	<u>28,310</u>

11 Taxation

Tax charged/(credited) in the consolidated profit and loss account

	2022 £	2021 £
Current taxation		
UK corporation tax	624,381	499,958
UK corporation tax adjustment to prior periods	<u>6,902</u>	<u>-</u>
	631,283	499,958
Deferred taxation		
Arising from origination and reversal of timing differences	<u>131,464</u>	<u>50,082</u>
Tax expense in the income statement	<u>762,747</u>	<u>550,040</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

	2022 £	2021 £
Profit before tax	<u>3,594,587</u>	<u>1,858,758</u>
Corporation tax at standard rate	682,972	353,164
Effect of expense not deductible in determining taxable profit (tax loss)	6,145	144,575
Increase in UK and foreign current tax from adjustment for prior periods	-	45,238
Tax increase from effect of capital allowances and depreciation	235,939	7,063
Tax increase from other short-term timing differences	227	-
Tax decrease from effect of adjustment in research and development tax credit	(124,925)	-
Tax decrease from changes in tax provisions due to legislation	<u>(37,611)</u>	<u>-</u>
Total tax charge	<u>762,747</u>	<u>550,040</u>

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2022		
Difference between accumulated depreciation and capital allowances	<u>-</u>	<u>662,620</u>
	<u>-</u>	<u>662,620</u>
2021		
Difference between accumulated depreciation and capital allowances	<u>-</u>	<u>519,608</u>
	<u>-</u>	<u>519,608</u>

12 Intangible assets

Group

	Goodwill £	Total £
Cost or valuation		
At 1 April 2021	10,178,492	10,178,492
Additions acquired separately	<u>2,665,239</u>	<u>2,665,239</u>
At 31 March 2022	<u>12,843,731</u>	<u>12,843,731</u>
Amortisation		
At 1 April 2021	3,083,342	3,083,342
Amortisation charge	<u>1,215,463</u>	<u>1,215,463</u>
At 31 March 2022	<u>4,298,805</u>	<u>4,298,805</u>
Carrying amount		
At 31 March 2022	<u>8,544,926</u>	<u>8,544,926</u>
At 31 March 2021	<u>7,095,150</u>	<u>7,095,150</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

13 Tangible assets

Group

	Land and buildings £	Fixtures & fittings £	Motor vehicles £	Cabin £	Plant & equipment £	Total £
Cost						
At 1 April 2021	1,766,248	276,893	7,558,862	12,918	1,605,119	11,220,040
Additions	49,294	47,557	2,449,512	-	251,971	2,798,334
Disposals	-	-	(777,976)	-	(44,650)	(822,626)
At 31 March 2022	<u>1,815,542</u>	<u>324,450</u>	<u>9,230,398</u>	<u>12,918</u>	<u>1,812,440</u>	<u>13,195,748</u>
Depreciation						
At 1 April 2021	248,915	194,266	4,079,345	8,726	1,080,226	5,611,478
Charge for the year	46,574	27,684	1,259,519	420	165,610	1,499,807
Eliminated on disposal	-	-	(442,934)	-	(21,045)	(463,979)
At 31 March 2022	<u>295,489</u>	<u>221,950</u>	<u>4,895,930</u>	<u>9,146</u>	<u>1,224,791</u>	<u>6,647,306</u>
Carrying amount						
At 31 March 2022	<u>1,520,053</u>	<u>102,500</u>	<u>4,334,468</u>	<u>3,772</u>	<u>587,649</u>	<u>6,548,442</u>
At 31 March 2021	<u>1,517,333</u>	<u>82,627</u>	<u>3,479,517</u>	<u>4,192</u>	<u>524,893</u>	<u>5,608,562</u>

Included within the net book value of land and buildings above is £478,796 (2021 - £482,843) in respect of freehold land and buildings, £1,020,157 (2021 - £1,009,237) in respect of long leasehold land and buildings and £21,100 (2021 - £25,254) in respect of short leasehold land and buildings.

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Revaluation

The fair value of the group's Land and buildings was revalued on 31 March 2019. An independent valuer was not involved.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £1,154,631 (2021 - £1,180,899).

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2022	2021
	£	£
Motor vehicles	3,445,889	3,026,050
Plant and machinery	91,289	140,696
Fixtures and fittings	20,547	18,192
Equipment	-	17,885
Long leasehold property	-	3,209
	<u>3,557,725</u>	<u>3,206,032</u>

14 Investment properties

Group

	2022
	£
At 1 April	<u>1,218,000</u>
At 31 March	<u>1,218,000</u>

There has been no valuation of investment property by an independent valuer. The fair value of the group's investment properties was revalued on 31 March 2019. An independent valuer was not involved. The open market valuation was carried out on the assumption that the properties would be used in the group's business.

15 Investments

Group

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
EFS Boss Ltd*	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Jones Metcalf Ltd*	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Express Freight Solutions Ltd*	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
EFS Logistics Ltd	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Red Scar Tyres Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
C.S. Brunt (Freight Services) Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Evidale Consulting Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Brad Trans International Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Euro-Tran Despatch Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Euro.SDB Limited	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
EFS Traction Limited	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Ardenwell Limited	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
EFS Burnley Limited	Efs Group, Phoenix Way, Burnley, England, BB11 5SX	Ordinary	0%	0%
F W D Freight Services Limited	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX	Ordinary	100%	100%
EFS Global 2 Ltd	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX	Ordinary	55%	55%
JRS Driver Hire Ltd	EFS Global, Pendle House, Phoenix Way, Burnley, Lancashire, BB11 5SX	Ordinary	99%	99%
AFI UK Limited	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX	Ordinary	100%	100%

* indicates direct investment of the company

Company

	2022 £	2021 £
Investments in subsidiaries	<u>4,144,804</u>	<u>2,276,866</u>

Subsidiaries

Cost or valuation

At 1 April 2021	2,276,866
Additions	<u>1,867,938</u>
At 31 March 2022	<u>4,144,804</u>

Provision

Carrying amount

At 31 March 2022	<u>4,144,804</u>
At 31 March 2021	<u>2,276,866</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
EFS Boss Ltd	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Jones Metcalf Ltd	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
Express Freight Solutions	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%
AFI UK Limited	EFS Group, Phoenix Way, Burnley, Lancashire, BB11 5SX England	Ordinary	100%	100%

Subsidiary undertakings

EFS Boss Ltd

The principal activity of EFS Boss Ltd is the rental of commercial property and the provision of management services.. The profit for the financial period of EFS Boss Ltd was £68,176 and the aggregate amount of capital and reserves at the end of the period was £899,794.

Jones Metcalf Ltd

The principal activity of Jones Metcalf Ltd is road haulage.. The profit for the financial period of Jones Metcalf Ltd was £938,535 and the aggregate amount of capital and reserves at the end of the period was £2,017,976.

Express Freight Solutions

The principal activity of Express Freight Solutions is the provision of labour and HR services..

AFI UK Limited

The principal activity of AFI UK Limited is freight forwarding.. The profit for the financial period of AFI UK Limited was £610,951 and the aggregate amount of capital and reserves at the end of the period was £1,440,381.

16 Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Consumables	82,648	184,867	-	-
Stocks	440,718	306,325	-	-
	<u>523,366</u>	<u>491,192</u>	<u>-</u>	<u>-</u>

Group

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

17 Debtors

Current	Note	Group		Company	
		2022 £	2021 £	2022 £	2021 £
Trade debtors		10,806,095	8,479,781	-	-
Amounts owed by related parties	25	-	-	1,170,949	1,190,422
Other debtors		8,465,981	1,740,575	-	-
Prepayments		1,513,942	1,081,892	-	-
Accrued income		296,613	157,314	-	-
Deferred tax assets	11	4,646	-	-	-
Income tax asset	11	264,430	172,732	-	-
		<u>21,351,707</u>	<u>11,632,294</u>	<u>1,170,949</u>	<u>1,190,422</u>

18 Cash and cash equivalents

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Cash on hand	1,159	702	-	-
Cash at bank	839,830	1,169,318	3,217	-
Short-term deposits	<u>144,577</u>	<u>468,680</u>	<u>-</u>	<u>-</u>
	985,566	1,638,700	3,217	-
Bank overdrafts	<u>(9,653)</u>	<u>(394)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>975,913</u>	<u>1,638,306</u>	<u>3,217</u>	<u>-</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

19 Creditors

		Group		Company	
	Note	2022 £	2021 £	2022 £	2021 £
Due within one year					
Loans and borrowings	23	9,222,854	5,538,205	-	-
Trade creditors		5,152,803	5,252,814	-	-
Amounts due to related parties	25	-	-	1,433,754	640,830
Social security and other taxes		1,174,671	998,352	68,820	90,220
Outstanding defined contribution pension costs		600	-	-	-
Other payables		5,552,258	2,054,351	1,272,464	619,112
Accruals		1,009,274	601,548	-	-
Income tax liability	11	1,616,225	966,285	83,530	85,726
Deferred income		7,915	6,994	-	-
		<u>23,736,600</u>	<u>15,418,549</u>	<u>2,858,568</u>	<u>1,435,888</u>
Due after one year					
Loans and borrowings	23	5,179,232	5,328,250	-	-
Deferred income		11,130	20,220	-	-
Other non-current financial liabilities		1,475,124	922,207	1,475,124	922,207
		<u>6,665,486</u>	<u>6,270,677</u>	<u>1,475,124</u>	<u>922,207</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

20 Provisions for liabilities

Group

	Deferred tax £	Total £
At 1 April 2021	519,608	519,608
Additional provisions	<u>138,366</u>	<u>138,366</u>
At 31 March 2022	<u>657,974</u>	<u>657,974</u>

21 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £159,002 (2021 - £110,180).

Contributions totalling £600 (2021 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

22 Share capital

Allotted, called up and fully paid shares

	2022	£	2021	£
	No.		No.	
Ordinary shares of £0.00001 each	<u>24,950,401</u>	<u>249.50</u>	<u>24,950,401</u>	<u>249.50</u>

23 Loans and borrowings

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	2,579,464	3,085,468	-	-
Hire purchase contracts	2,535,267	2,120,418	-	-
Other borrowings	<u>64,501</u>	<u>122,364</u>	<u>-</u>	<u>-</u>
	<u>5,179,232</u>	<u>5,328,250</u>	<u>-</u>	<u>-</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Current loans and borrowings				
Bank borrowings	504,705	499,266	-	-
Bank overdrafts	9,653	394	-	-
Hire purchase contracts	1,507,433	1,001,116	-	-
Other borrowings	7,201,063	4,037,429	-	-
	<u>9,222,854</u>	<u>5,538,205</u>	<u>-</u>	<u>-</u>

There is a fixed and floating charge on the group's assets given to National Westminster Bank plc and RBS Invoice Finance Limited in respect of any bank loans and overdrafts and factor advances owed by the group.

Net obligations under hire purchase contracts are secured against the assets to which they relate.

The bank loans and overdrafts and factor advances are secured by intercompany guarantees between EFS Global Limited and its subsidiaries, supported by fixed and floating charges on the group's assets.

Group

Bank borrowings

Included in the loans and borrowings are the following amounts due after more than five years:

	2022	2021
	£	£
After more than five years by instalments	1,429,091	1,424,466

Borrowings due after five years

Bank borrowings include bank loans repayable by monthly instalments over 20 years. The loans are due to be repaid in full by December 2038. Interest is charged on the loans at a rate of 4%. The carrying amount at the year end is £1,682,459 (2021 - £1,754,382).

24 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	775,774	918,775
Later than one year and not later than five years	186,541	721,798
Later than five years	<u>5,720</u>	<u>-</u>
	<u>968,035</u>	<u>1,640,573</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £540,109 (2021 - £1,159,336).

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	-	48,400

25 Related party transactions

Group

All group companies have provided a cross guarantee to the bankers of EFS Global Limited in respect of any bank loans and overdrafts and factor advances owed by EFS Global Limited and its subsidiaries.

Key management compensation

	2022	2021
	£	£
Salaries and other short term employee benefits	7,179	24,293

Transactions with directors

	At 1 April 2021	Advances to director	At 31 March 2022
	£	£	£
2022			
M D Jones			
Loans to directors	396,452	290,621	687,073
	At 1 April 2020	Advances to director	Repayments by director
	£	£	£
2021			
M D Jones			
Loans to directors	288,661	217,091	(109,300)
	396,452		

Interest on the directors overdrawn loan account has been charged at the HMRC approved rate.

Summary of transactions with entities with joint control or significant interest

EFS Investments Limited
 Caistor Distribution Limited
 Thomas Harwood & Son limited
 Courier Connections (Scotland) Limited
 Gees Haulage Limited
 Austin Wilkinson & Sons Limited

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Summary of transactions with other related parties

Blue Gecko Property Group
Claremont 2 Limited
Contact Burnley Ltd
Jones Properties Limited
Westeros Property Ltd

Income and receivables from related parties

	Other related parties £
2022	
Amounts receivable from related party	<u>1,500,621</u>
2021	
Receipt of services	<u>18,392</u>
Amounts receivable from related party	<u>953,479</u>

Expenditure with and payables to related parties

	Other related parties £
2022	
Amounts payable to related party	<u>122,353</u>
2021	
Amounts payable to related party	<u>60,000</u>

Loans to related parties

	Entities with joint control or significant influence £	Total £
2022		
Advanced	<u>4,818,066</u>	<u>4,818,066</u>
At end of period	<u>4,818,066</u>	<u>4,818,066</u>

Loans from related parties

	Entities with joint control or significant influence £	Total £
2022		
Advanced	<u>3,115,231</u>	<u>3,115,231</u>
At end of period	<u>3,115,231</u>	<u>3,115,231</u>

EFS Global Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

26 Parent and ultimate parent undertaking

The ultimate controlling party is Mr M D Jones.