

Registration number: 01658317

Delivered UK Ltd

Annual report and financial statements

for the year ended 31 May 2015

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Delivered UK Ltd
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Delivered UK Ltd
Strategic report for the year ended 31 May 2015

The director presents his strategic report for the year ended 31 May 2015.

Business review

Fair review of the business

The director is pleased to announce positive results for the year ended 31 May 2015 with a significant increase in turnover and consistent gross profit margins. Some one off reductions in administrative expenses last year alongside a general increase across the board this year has resulted in a slight reduction in net profit, which the director intends to review and manage going forward. The figures reported relate to the 3 depots which the company operates from in Wycombe, Slough and Portsmouth, the latest depot addition to the company which was acquired during the prior financial period. The company continues to work closely with APC, the delivery network provider, in all of the company's depots.

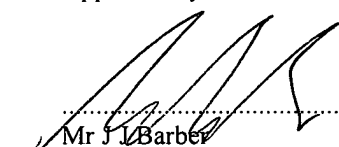
The company's key financial and other performance indicators during the year were as follows:

	Unit	2015	2014
Turnover	£	9,151,472	7,913,152
Gross Profit	£	1,976,637	1,813,040
Gross Profit margin	%	22	23

Principal risks and uncertainties

The director has reviewed the industry in which the company operates and he considers that there are no significant risks and uncertainties that need disclosing within this report. For this reason, he continues to adopt the going concern basis in preparing the financial statements.

Approved by the director on 28/1/16


.....
Mr J L Barber
Director

Delivered UK Ltd

Director's report for the year ended 31 May 2015

The director presents his report and the financial statements for the year ended 31 May 2015.

Director of the company

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

Mr J J Barber

Financial instruments

Objectives and policies

The company's operations expose it to a variety of financial risks that include the effects of changes in market prices, credit risk, liquidity risk, interest rate risk and foreign exchange rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company.

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

Price risk

The company is exposed to price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to price risk exceed any potential benefits.

Credit risk

The company has implemented policies for its finance operations that require appropriate credit checks on potential customers before finance is given. The nature of the company's main operations does not give rise to significant credit risk.

Liquidity risk

The company actively maintains a mixture of short-term debt finance that is designed to ensure the company has sufficient available funds for operations. The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Interest rate cash flow risk

The company has interest bearing liabilities and has selected variable rates to best suit the future cash flow. The director will revisit the appropriateness of this policy should the company's situation change.

Future developments

The director intends to maintain the company's strong position in the market and further increase turnover, manage costs and ultimately improve the performance of the business.

Disclosure of information to the auditor

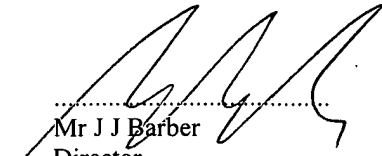
The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information. The director confirms that there is no relevant information that he knows of and which he knows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

Delivered UK Ltd

Director's report for the year ended 31 May 2015

..... continued

Approved by the director on 28/1/16


.....
Mr J J Barber
Director

Delivered UK Ltd

Statement of director's responsibilities

The director is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

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

Independent auditors' report to the members of Delivered UK Ltd

We have audited the financial statements of Delivered UK Ltd for the year ended 31 May 2015, set out on pages 7 to 17. 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).

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 auditors' 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 Statement of director's responsibilities (set out on page 4), the director is 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2015 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 the information given in the Strategic report and Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditors' report to the members of
Delivered UK Ltd**

..... continued

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mr Nigel Fry (Senior Statutory Auditor)
For and on behalf of
Milsted Langdon LLP
Chartered Accountants and Statutory Auditors
Winchester House
Deane Gate Avenue
TA1 2UH

12 February 2016

Delivered UK Ltd
Profit and loss account for the year ended 31 May 2015

	Note	2015 £	2014 £
Turnover		9,151,472	7,913,152
Cost of sales		<u>(7,174,835)</u>	<u>(6,100,112)</u>
Gross profit		1,976,637	1,813,040
Administrative expenses		(1,779,503)	(1,541,525)
Other operating income		<u>5,000</u>	<u>-</u>
Operating profit	2	202,134	271,515
Interest payable and similar charges	5	<u>(11,985)</u>	<u>(736)</u>
Profit on ordinary activities before taxation		190,149	270,779
Tax on profit on ordinary activities	6	<u>(9,456)</u>	<u>(57,550)</u>
Profit for the financial year	13	<u><u>180,693</u></u>	<u><u>213,229</u></u>

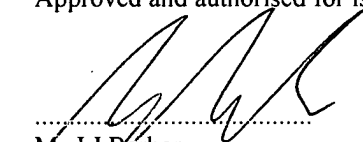
Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Delivered UK Ltd
(Registration number: 01658317)
Balance sheet at 31 May 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	7	<u>217,094</u>	<u>245,778</u>
Current assets			
Debtors	8	2,701,891	1,801,957
Cash at bank and in hand		<u>719</u>	<u>332,837</u>
		2,702,610	2,134,794
Creditors: amounts falling due within one year	9	<u>(2,467,641)</u>	<u>(2,037,209)</u>
Net current assets		<u>234,969</u>	<u>97,585</u>
Total assets less current liabilities		452,063	343,363
Provisions for liabilities	10	<u>(33,385)</u>	<u>(41,092)</u>
Net assets		<u><u>418,678</u></u>	<u><u>302,271</u></u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	13	<u>418,578</u>	<u>302,171</u>
Shareholders' funds	14	<u><u>418,678</u></u>	<u><u>302,271</u></u>

Approved and authorised for issue by the director on 21/3/16



 Mr J J Barber
 Director

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Turnover

Turnover represents amounts chargeable, excluding value added tax, of sales made during the year and derives from the provision of services falling within the company's ordinary activities. Turnover is recognised when goods are dispatched to a third party distributor.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Amortisation

Licence fees capitalised represent the cost paid to acquire a post code area in which the company can then be the sole member of the APC body to carry out a courier service in that area. Amortisation is provided at the following rates:

Asset class	Amortisation method and rate
Licence fees	33.3% straight line

Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Asset class	Depreciation rate and method
Leasehold property improvements	33.3% straight line
Plant and machinery	10 - 25% straight line
Motor vehicles	20 - 25% straight line

Deferred tax

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

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

Leasing

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

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

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Financial instruments

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

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Operating leases - other assets	177,632	165,351
Auditor's remuneration - The audit of the company's annual accounts	8,000	8,000
Profit on sale of tangible fixed assets	-	(50,000)
Depreciation of owned assets	65,664	47,742
Government grants receivable	<u>(5,000)</u>	<u>-</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... *continued*

3 Particulars of employees

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

	2015 No.	2014 No.
Operational - Direct	53	46
Operational - Indirect	24	24
Sales	3	2
Finance	6	6
Management	2	2
	<u>88</u>	<u>80</u>

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	1,714,472	1,517,871
Social security costs	141,606	122,981
Staff pensions	19,030	12,500
	<u>1,875,108</u>	<u>1,653,352</u>

4 Director's remuneration

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

	2015 £	2014 £
Remuneration (including benefits in kind)	3,069	4,714
Company contributions paid to money purchase schemes	<u>15,000</u>	<u>12,500</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2015 No.	2014 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... continued

5 Interest payable and similar charges

	2015 £	2014 £
Interest on bank borrowings	11,985	736
	<u>11,985</u>	<u>736</u>

6 Taxation

Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
Corporation tax charge	17,163	41,778
Deferred tax		
Origination and reversal of timing differences	(7,707)	15,772
Total tax on profit on ordinary activities	<u>9,456</u>	<u>57,550</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	190,149	270,779
Corporation tax at standard rate	38,030	54,156
Depreciation in excess of capital allowances	5,974	(15,802)
Short term timing difference on pension creditor	1,698	-
Adjustment for different rates of tax charged in the year	-	1,681
Expenses tax deductible for tax purposes	1,323	1,743
Tax losses group relieved	(31,224)	-
Expenses treated as capital	1,362	-
Total current tax	<u>17,163</u>	<u>41,778</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... continued

7 Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 June 2014	130,381	663,062	147,227	940,670
Additions	-	32,092	4,888	36,980
At 31 May 2015	130,381	695,154	152,115	977,650
Depreciation				
At 1 June 2014	130,381	540,720	23,791	694,892
Charge for the year	-	37,243	28,421	65,664
At 31 May 2015	130,381	577,963	52,212	760,556
Net book value				
At 31 May 2015	-	117,191	99,903	217,094
At 31 May 2014	-	122,342	123,436	245,778

8 Debtors

	2015 £	2014 £
Trade debtors	2,135,335	1,590,825
Amounts owed by group undertakings	357,216	-
Other debtors	21,491	98,620
Director's current accounts	28,202	-
Prepayments and accrued income	159,647	112,512
	<u>2,701,891</u>	<u>1,801,957</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... *continued*

9 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	1,431,365	880,675
Bank overdraft	21,142	3,633
Invoice discounting facility	631,143	575,204
Amounts owed to group undertakings	-	110,763
Corporation tax	17,163	41,778
Other taxes and social security	186,127	151,045
Other creditors	180,701	274,111
	<u>2,467,641</u>	<u>2,037,209</u>

Creditors: amounts falling due within one year includes the following liabilities on which security has been given by the company:

	2015	2014
	£	£
Bank overdraft	21,142	3,633
Invoice discounting facility	631,143	575,204
	<u>652,285</u>	<u>578,837</u>

These creditors are secured by a fixed and floating charge over all the assets of the company. The director has also provided a limited personal guarantee in respect of each of these creditors.

10 Provisions for liabilities

	Deferred tax	Total
	£	£
At 1 June 2014	41,092	41,092
Credited to the profit and loss account	(7,707)	(7,707)
At 31 May 2015	<u>33,385</u>	<u>33,385</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... *continued*

Analysis of deferred tax

	2015 £	2014 £
Difference between accumulated depreciation and amortisation and capital allowances	35,082	41,092
Other timing differences	(1,698)	-
	<u>33,384</u>	<u>41,092</u>

11 Share capital

Allotted, called up and fully paid shares

	No.	2015 £	No.	2014 £
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12 Dividends

	2015 £	2014 £
Dividends paid		
Current year interim dividend paid	<u>64,286</u>	<u>37,895</u>

13 Reserves

	Profit and loss account £	Total £
At 1 June 2014	302,171	302,171
Profit for the year	180,693	180,693
Dividends	(64,286)	(64,286)
At 31 May 2015	<u>418,578</u>	<u>418,578</u>

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

..... continued

14 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit attributable to the members of the company	180,693	213,229
Dividends	(64,286)	(37,895)
Net addition to shareholders' funds	116,407	175,334
Shareholders' funds at 1 June	302,271	126,937
Shareholders' funds at 31 May	418,678	302,271

15 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £19,030 (2014 - £12,500).

Contributions totalling £8,488 (2014 - £nil) were payable to the scheme at the end of the year and are included in creditors.

16 Commitments

Operating lease commitments

As at 31 May 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
Land and buildings		
Within one year	2,917	31,014
Within two and five years	172,303	-
Over five years	64,600	64,600
	239,820	95,614

Delivered UK Ltd

Notes to the financial statements for the year ended 31 May 2015

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17 Related party transactions

Director's advances and credits

	2015 Advance/ Credit £	2015 Repaid £	2014 Advance/ Credit £	2014 Repaid £
Mr J J Barber				
Director's loan account	105,488	77,286	185,209	227,659

Other related party transactions

During the year the company entered into the following related party transactions:

Mr J J Barber

(Director and ultimate controlling party)

During the year Mr J J Barber received a loan from the company. The loan is interest free and repayable on demand. Mr J J Barber has also given personal guarantees to the limit of £125,000 and £60,000 respectively in respect of the company and Delivered (Reading) Ltd's, fellow subsidiary company, invoice discounting facility and any amounts owed to NatWest. At the balance sheet date the amount due from/(to) Mr J J Barber was £28,202 (2014 - (£28,736)).

The Alternative Parcel Company Limited

(a company in which Mr J J Barber is a director)

During the year the company made sales with and received purchases from The Alternative Parcel Company Limited. Sales made during the year totalled £1,865,563 (2014 - £1,691,513) and purchases totalled £3,560,202 (2014 - £2,827,818). At the balance sheet date the amount due to The Alternative Parcel Company Limited was £367,093 (2014 - £270,627).

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

18 Control

The company is controlled by Scarlet Group Limited, its parent company. The ultimate controlling party is Mr J J Barber who owns the majority of the issued share capital of Scarlet Group Limited.