Company Registration No. SC93044

YODEL XL (SCOTLAND) LIMITED

REPORT AND FINANCIAL STATEMENTS

for the year ended 30 June 2012

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YODEL XL (SCOTLAND) LIMITED
REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2012

DIRECTORS

G Monk
P Peters

COMPANY SECRETARY

March Secretarial Services Limited

REGISTERED OFFICE

Block 9, Unit 2, Roseberry Road,
Chapelhall Ind. Estate
Chapelhall
Airdrie
ML6 8QH

INDEPENDENT AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

YODEL XL (SCOTLAND) LIMITED
REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2012

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DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 30 June 2012.

On 4 July 2011 the trade and assets of the two-man delivery and installation business of HDN (NI) Limited were transferred across to the company. The consideration of £44,000 was equal to the net book value of the assets transferred across.

On 4 July 2011 the shares in the company were sold to Yodel XL Limited for a consideration of £5,019,000.

Principal activities and business review

The principal activity of the company is the provision of two-man delivery and installation services.

The profit on ordinary activities before taxation was £1,695,000 (61 week period ended 30 June 2011: profit of £166,000). The profit after taxation of £1,695,000 has been transferred to reserves (61 week period ended 30 June 2011: profit of £175,000 transferred). Included within operating profit of £1,697,000 (61 week period ended 30 June 2011: profit of £177,000) was £319,000 (2011: £nil) in relation to the business of HDN (NI) Limited which was transferred across in the year.

The directors do not recommend the payment of a dividend (2011: £nil).

The company's results and financial position are set out in the profit and loss account and balance sheet respectively.

Outlook

In the year ahead the company expects the difficult trading conditions to continue. The company is planning cautiously for the year ahead whilst still investing in its future.

The focus of the company is to deliver:

- a reliable, high quality delivery service for clients;
- retention of the existing client base;
- growth of volumes in profitable sectors;
- enhanced value propositions for clients; and
- continued operational and overhead efficiencies.

Principal risks and uncertainties

The management of the business and execution of the group's strategy are subject to a number of risks. In addition to the general uncertainty of the national macro-economic situation (particularly the ongoing effects of the government's austerity measures and the financing of certain of the Euro zone economies), the principal other risks to the business are:

- lack of volume leading to sub-optimal usage of assets; and
- market de-stabilisation caused by distressed competitor activity.

Going concern

The basis of the directors' conclusion on going concern is set out in Note 1 to the financial statements.

DIRECTORS' REPORT (continued)

Directors

The directors that held office during the period and to the date of this report unless otherwise stated below were as follows:

G Monk
P Peters
J Smith (resigned 14 November 2012)

Elective resolutions

The company has passed elective resolutions to dispense with the holding of annual general meetings and for the laying of the annual report and financial statements before the company in general meetings, until such time as the elections are revoked.

Statement to disclose information to the auditor

Each of the persons who are a director at the date of approval of this report confirms that:

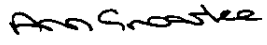
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

PricewaterhouseCoopers LLP resigned as auditor during the year and Deloitte LLP were appointed. Deloitte LLP have indicated their willingness to continue in office.

On behalf of the Board



Anne Marie Groarke
On behalf of March Secretarial Services Limited
Company Secretary
Date: 19 December 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' 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 company and of the profit or loss of the company 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; 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 company's transactions and disclose with reasonable accuracy at any time the financial position of 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YODEL XL (SCOTLAND) LIMITED

We have audited the financial statements of Yodel XL (Scotland) Limited for the year ended 30 June 2012, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 21. 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 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
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 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2012 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YODEL XL (SCOTLAND) LIMITED (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.

William Smith (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom
19 December 2012

PROFIT AND LOSS ACCOUNT

	Notes	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Turnover			
Continuing operations		6,668	5,503
Acquisitions	3	1,620	-
	2	8,288	5,503
Cost of sales		(5,978)	(4,556)
Gross profit		2,310	947
Net operating expenses – before exceptional items		(678)	(661)
Net exceptional operating items	4	65	(109)
		(613)	(770)
Operating profit for the year/ period			
Continuing operations		1,378	177
Acquisitions	3	319	-
	5	1,697	177
Interest payable and similar charges	7	(2)	(11)
Profit on ordinary activities before taxation		1,695	166
Taxation on profit on ordinary activities	8	-	9
Profit on ordinary activities after taxation	16, 17	1,695	175

The profit on ordinary activities before taxation for the year arises from the company's continuing operations.

No separate statement of total recognised gains and losses has been presented as all gains and losses have been dealt with in the profit and loss account.

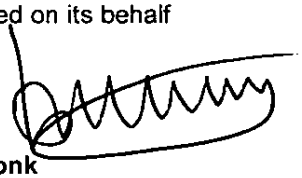
There is no material difference between the profit on ordinary activities before taxation and the result for the period and their historical cost equivalents.

BALANCE SHEET

	Notes	30 June 2012 £'000	30 June 2011 £'000
Fixed assets			
Tangible assets	9	1,549	1,525
Current assets			
Stock	10	17	12
Debtors	11	5,687	4,176
Cash at bank and in hand		-	2
		5,704	4,190
Creditors: Amounts falling due within one year	12	(483)	(492)
Net current assets		5,221	3,698
Total assets less current liabilities		6,770	5,223
Provisions for liabilities and charges	14	(56)	(204)
Net assets		6,714	5,019
Capital and reserves			
Called-up share capital	15	1,004	1,004
Revaluation reserve	16	363	380
Profit and loss account	16	5,347	3,635
Total shareholder's funds	17	6,714	5,019

The financial statements of Yodel XL (Scotland) Limited, company number SC93044, were approved by the board of directors on 19 December 2012.

Signed on its behalf



G Monk
Director

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The principal activities are summarised below. They have all been applied consistently throughout the year and the preceding period.

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified for the revaluation of fixed assets, and in accordance with applicable United Kingdom Accounting Standards.

Going concern

The financial statements are prepared on the going concern basis, with support from Yodel Logistics Limited. The directors of Yodel Logistics Limited have indicated their present intention to continue to support the company to allow the company to settle its liabilities as they fall due.

The company is continuing to rationalise its pricing models and market offerings and is working closely with its strategic client base as it works towards a sustainable business model.

In determining whether the group's accounts can be prepared on a going concern basis, the directors considered the group's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the principal risks and uncertainties relating to its business activities.

The group has carefully considered its cash flows and banking covenants for the next 12 months from the date of signing the audited financial statements. These have been appraised in the light of the uncertainty in the current economic climate.

As such conservative assumptions for working capital performance have been used to determine the level of financial resources available to the company and to assess liquidity risk. The key risk identified by the directors for these assumptions is the impact that a further deterioration in the economic climate may have on the performance of sales and the debtor book.

The directors are satisfied that the plans to strengthen the business model through a robust pricing model and rationalised market offerings, together with continued support from Yodel Logistics Limited and the extension of the group's banking facilities, will enable the company to continue to meet its liabilities as they fall due in the foreseeable future and for a period of at least 12 months subsequent to approval of the financial statements. A full risk analysis exercise has been carried out against the current financial plans and it is considered that the existing plans are both robust and deliverable.

Accordingly, on that basis, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

Cash flow statement and related party transactions

As the results of the company are included in the consolidated financial statements of Yodel XL Limited, its parent undertaking, which are publicly available, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'Cash Flow Statements (revised 1996)'.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Cash flow statement and related party transactions (continued)

The company is also exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities that are part of, or investees of, the ultimate parent company's group as the ultimate parent company controls 100% of the total shareholding and prepares consolidated financial statements.

Tangible fixed assets

Freehold property is held at valuation (based on open market value). Values are assessed annually by the directors, based on the advice of professionally qualified chartered surveyors employed by the company as well as external independent valuers. Any changes in the value of properties are disclosed as movements on the revaluation reserve to the extent the reserve is sufficient. Any impairments below cost are charged to the profit and loss account.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal or recognition of a provision for impairment of a revalued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves.

All other tangible fixed assets are measured at cost, net of depreciation and any provision for impairment. Depreciation is provided to write down the cost of tangible fixed assets to their estimated residual values by equal annual instalments over their estimated useful working lives as follows:

Freehold land	not depreciated
Freehold buildings	over a period up to 50 years
Fixtures, fittings & equipment	10-33% per annum
Plant and machinery	10% per annum
Motor vehicles	10-25% per annum

Residual value is calculated on prices prevailing at the date of acquisition.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold; and
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Taxation (continued)

Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessment periods different from those in which they are recognised in the financial statements.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Stocks

Stocks are stated at the lower of cost and net realisable value and consist of consumables. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Hire purchase and leasing commitments

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals paid under operating leases are charged to income on a straight-line basis over the term of the lease, even if the payments are not made on such a basis. Lease transactions that result in substantially all the risks and rewards of ownership transferring to the group are accounted for as finance leases. At the inception of finance leases, the capital cost of the asset is included in the financial statements both as a fixed asset, which is then depreciated over its useful economic life, and as an obligation to pay future rentals. The interest element of the leases are charged to the profit and loss account within interest payable over the lease period to produce a constant rate of charge on the balance of the capital repayments outstanding.

Pensions

The company operates a defined contribution pension scheme, the contributions to which are charged to the profit and loss account in the period in which benefits are earned. The assets of the scheme are held in independently administered funds.

2. Turnover

Turnover represents goods delivered to and installed for customers less applicable sales taxes and is recognised upon delivery of the goods to the customer.

The turnover and profit before taxation all arise within the United Kingdom in the current year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Acquisitions

On 4 July 2011, the trade of the two-man delivery and installation business of HDN (NI) Limited were transferred across to the company. The consideration of £44,000 was equal to the net book value of the tangible fixed assets acquired. The acquisition was satisfied via an intercompany loan. No goodwill arose on the acquisition. The acquired trade and assets earned a profit after taxation of £319,000 in the year ended 30 June 2012, of which nil arose in the company in the period prior to the acquisition date. In the previous financial period the acquired trade and assets were accounted for as part of a larger financial unit and the loss after taxation was £627,000.

4. Operating expenses

Exceptional operating items

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Reorganisation and restructuring costs	35	109
Release of onerous lease provision	(100)	-
	(65)	109

The exceptional costs relate to the reorganisation of the business, primarily depot closure costs, and redundancy payments. Credits relate to the release of onerous lease provisions.

5. Operating profit

Operating profit is stated after charging/ (crediting):

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Depreciation – owned assets	165	167
Depreciation – assets on hire purchase	-	79
Operating lease rentals		
Land & buildings	35	112
Plant and machinery	298	474
Profit on disposal of fixed assets	-	(11)
Services provided by the company's auditors:		
Fees payable for the statutory audit	5	5

There were no non-audit fees payable to the auditor (61 weeks ended 30 June 2011: £nil). The fees payable to the auditor in the prior period were payable to PricewaterhouseCoopers LLP.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Staff costs

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Staff costs (including part time staff and directors) during the year/period:		
Wages & salaries	2,465	2,227
Social security costs	177	192
Other pension costs (note 19)	2	3
Redundancy costs	4	-
	2,648	2,422

The average number of employees (including directors) during the year/period was:

	30 June 2012 Number	30 June 2011 Number
Management	1	3
Administration	2	-
Distribution & customer service centres	131	115
	134	118

None of the directors received any emoluments for services to the company during the year ended 30 June 2012 (61 weeks ended 30 June 2011: £nil). All directors are remunerated by parent undertakings in the group for which costs are not recharged.

7. Interest payable and similar charges

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Interest payable on finance leases	2	11

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Taxation

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Current taxation:		
UK Corporation tax charge for the year/period	-	-
Adjustments in respect of prior periods	-	9
Total current tax credit	-	9
Tax credit on profit on ordinary activities	-	9

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Taxation (continued)

The current tax position assessed for the year/period is different to the standard rate of corporation tax in the UK 25.5% (2011: 27.6%). The differences are explained below:

	Year ended 30 June 2012 £'000	61 weeks ended 30 June 2011 £'000
Profit on ordinary activities before tax	1,695	166
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.5% (2011: 27.6%)	(432)	(46)
Effects of:		
Expenses not deductible for tax purposes	(23)	-
Other short term timing differences	26	-
Depreciation in excess of capital allowances	(19)	(60)
Adjustments in respect of prior periods	-	9
Group relief at nil consideration	448	106
Current tax charge for the year/period	-	9

The Finance Act 2011, which was substantively enacted in July 2011, included provisions to reduce the rate of corporation tax to 25% with effect from April 2012. The budget announced on 21 March 2012 an additional 1% reduction (to 24%) from 1 April 2012, which was substantively enacted on 26 March 2012.

The company earns its profits wholly within the UK and therefore the tax rate used for tax on ordinary activities is the average standard rate for UK corporation tax of 25.5%.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Tangible fixed assets

	Freehold property £'000	Motor vehicles £'000	Plant & fixtures & fittings £'000	Total £'000
Cost and valuation				
At 1 July 2011	1,719	661	567	2,947
Transfers in	-	73	44	117
Additions	-	-	72	72
At 30 June 2012	1,719	734	683	3,136
Depreciation				
At 1 July 2011	238	649	535	1,422
Charged in the year	78	24	63	165
At 30 June 2012	316	673	598	1,587
Net book value				
At 30 June 2012	1,403	61	85	1,549
At 30 June 2011	1,481	12	32	1,525

The net book value of assets held under finance leases is £nil (2011: £15,000).

The freehold property was valued on an existing use basis on 30 June 2011 by Colliers International. Based upon the advice of professionally qualified property valuation experts, the directors believe the valuation is not materially different from the value at which the property is currently recorded in the financial statements.

If freehold property had not been revalued it would have been included at the following historical cost:

	30 June 2012 £'000	30 June 2011 £'000
Cost	1,097	1,097

Included within tangible fixed assets is freehold land, which is not subject to depreciation, amounting to £236,000 (2011: £236,000).

Of the transfers in during the period £44,000 was in relation to the two-man delivery and installation business of HDN (NI) Limited which took place on 4 July 2011.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Stocks

	30 June 2012 £'000	30 June 2011 £'000
Consumable stocks	17	12

The directors consider that there is no material difference between the balance sheet value of stock and the replacement cost.

11. Debtors

	30 June 2012 £'000	30 June 2011 £'000
Amounts falling due within one year:		
Trade debtors	224	187
Amounts owed by group undertakings	5,260	3,960
Prepayments and accrued income	125	28
Other debtors	78	1
	5,687	4,176

Amounts due by group undertakings are unsecured, interest free and repayable on demand.

12. Creditors: Amounts falling due within one year

	30 June 2012 £'000	30 June 2011 £'000
Obligations under finance leases (note 13)	-	24
Trade creditors	64	-
Amounts owed to group undertakings	246	-
Other taxation and social security	3	201
Other creditors	33	48
Accruals	137	219
	483	492

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Obligations under finance leases

An analysis of the maturity of borrowings is given below:

	30 June 2012 £'000	30 June 2011 £'000
Obligations under finance leases are repayable as follows:		
Within one year	-	24
	-	24

14. Provisions for liabilities and charges

	At 1 July 2011 £'000	Increase in provision during the year £'000	Utilised during the year £'000	Released to the profit and loss account £'000	At 30 June 2012 £'000
Onerous lease provision	100	4	(4)	(100)	-
Vehicle return provisions	104	12	(60)	-	56
	204	16	(64)	(100)	56

The onerous lease provision is costs in relation to closed sites, and has now been released to the profit and loss account following settlement with the landlord.

Vehicle return provisions are for the costs of returning leased vehicles in their original condition and motor accident damage and are expected to be utilised in the next three years.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Provisions for liabilities and charges (continued)

The total asset recognised and the potential asset for deferred taxation are as follows:

	30 June 2012 £'000	30 June 2011 £'000
Decelerated capital allowances	36	39
Short term timing differences	-	26
Potential deferred tax asset	36	65
Deferred tax asset not recognised	(36)	(65)
Deferred tax asset recognised	-	-

Deferred tax assets of £36,000 have not been recognised due to insufficient certainty over the recoverability of this asset by the company.

15. Share capital

	30 June 2012 £'000	30 June 2011 £'000
Authorised:		
1,050,000 ordinary shares of £1 each	1,050	1,050
Allotted, issued and fully paid:		
1,004,488 ordinary shares of £1 each	1,004	1,004

16. Reserves

	Revaluation reserve £'000	Profit & loss account £'000
At 1 July 2011	380	3,635
Profit for the year	-	1,695
Reserves transfer	(17)	17
At 30 June 2012	363	5,347

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Reconciliation of movement in shareholder's funds

	30 June 2012 £'000	30 June 2011 £'000
Profit for the financial year/ period	1,695	175
Net increase in shareholder's funds	1,695	175
Opening shareholder's funds	5,019	4,844
Closing shareholder's funds	6,714	5,019

18. Operating lease commitments

At 30 June 2012 the company had annual commitments under non-cancellable operating leases as follows:

	30 June 2012 £'000	30 June 2011 £'000
Land and buildings:		
Expiring after more than five years	35	35
	35	35
Other:		
Expiring within one year	19	12
Expiring between two and five years	-	52
	19	64

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. Pension commitments

FRS 17 – Retirement Benefits

The company operates a defined contribution pension scheme.

Contributions to the defined contribution schemes are charged to the profit and loss account as they fall due.

The total cost of the contributions to the scheme within these accounts amounted to £2,000 (2011: £3,000).

20. Cross guarantee

The company has entered into a bank cross guarantee with its immediate holding company and fellow subsidiaries. The guarantee amounts to £138,500,000 at 30 June 2012 (2011: £144,500,000) relating to facilities in the name of Home Delivery Network Limited.

The assets of the company are pledged as security for the bank borrowings of Home Delivery Network Limited, by way of a fixed and floating charge.

21. Ultimate controlling party

The immediate holding company is Yodel XL Limited, a company registered in England and Wales. The largest group, for which the financial statements are publicly available, into which the results of the company are consolidated into is Yodel Logistics Limited, a company registered in England and Wales, which the directors regard as being ultimately controlled by Sir David Barclay and Sir Fredrick Barclay Family Settlements. The smallest group into which the results of the company are consolidated is the financial statements of Yodel XL Limited.