

**3T LOGISTICS LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

COMPANY INFORMATION

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DIRECTORS	S D Twydell G S Marchant (appointed 5 May 2021) P J Buscombe (appointed 5 May 2021) T D J Fawkes (resigned 5 May 2021) C Capstick-Dale (appointed 31 May 2022) A Pratt (appointed 31 May 2022) R W Hutton (appointed 31 May 2022)
REGISTERED NUMBER	03973355
REGISTERED OFFICE	4 Thorpe Way Grove Park Leicester LE19 1SU
INDEPENDENT AUDITORS	Bishop Fleming LLP Chartered Accountants & Statutory Auditors 1-3 College Yard Worcester WR1 2LB

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**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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## INTRODUCTION

3T's strategic objective is to help its customers to optimise their road freight transport costs, increase vehicle utilisation, reduce transport costs, lower their carbon emissions and enable more flexible transport options; alongside service excellence and an automated, digital platform for sustainable continuous improvement. Our aim is to be one of the most technically advanced logistics platform in the World and to be the first choice technology partner for any logistics organisation.

## OVERVIEW

2021/2 and 2022/3 are transition years for 3T as it implements its new cloud-delivered, modular Event TMS platform alongside its second-generation platform that is not cloud-based as it transitions major customers to Event.

3T offers its clients a combination of software-enabled transport management solutions. This includes a number of SAAS transport management software applications as well as a full end to end transport management system (TMS) and a carrier optimisation platform for managing multi-carrier solutions, designed to provide clients with lower costs, greater visibility and improved customer service compared to using a single 3PL managed solution. In addition to our software-led offerings, we provide transport expertise through a combination of professional consulting services and operational support for carrier procurement, planning and operations and continuous improvement frameworks.

During the year to March 2022, we have continued to invest in the development of Event, our third-generation SAAS, cloud-based TMS and will be investing in further system development during 2022/23 to complete deployment to existing customers. Event TMS and its applications are accessible to a broader range of customers across multiple new sectors and provide significant growth opportunities for the business.

Our Event TMS software was developed in-house by 3T and has been recognised by inclusion in the Gartner magic quadrant for TMS in 2022 and for all years since 2018.

## FINANCIAL PERFORMANCE

The summary performance metrics below present robust and improving financial performance in the year ending 31 March 2022.

	<b>2022</b>	2021
Software & Logistics gross profit margin	<b>68%</b>	72%
Operating profit margin	<b>1%</b>	6%
Headcount	<b>85</b>	79
Software & Logistics revenue per head (£'000)	<b>76</b>	<b>72</b>

Management consider Software and Logistics revenue to be the key performance indicator for revenue as it excludes pass through carrier revenue provided as an ancillary service to some logistics customers. Software and Logistics revenue includes recurring SaaS subscription and management fees, implementation fees and advisory fees.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Turnover</b>		
- Software & Logistics	<b>6,477</b>	5,702
- Carrier	<b>21,677</b>	16,748
	<b>28,154</b>	22,450
<b>Cost of sales</b>		
- Software & Logistics	<b>(2,085)</b>	(1,611)
- Carrier	<b>(21,677)</b>	(16,748)
	<b>(23,762)</b>	(18,359)
<b>Gross profit</b>		
- Software & Logistics	<b>4,392</b>	4,091
- Carrier	<b>-</b>	-
	<b>4,392</b>	4,091
Administrative expenses	<b>(3,952)</b>	(2,737)
Exceptional administrative expenses	<b>(187)</b>	-
Other operating income	<b>12</b>	71
<b>Operating profit</b>	<b>265</b>	1,425

Total turnover increased during the year and management fees increased 14%. Software and logistics gross margin reduced from 72% to 68% and operating profit, inclusive of carrier revenue reduced from £1.4m to £0.3m. Software & Logistics gross margin reduced mainly as a result of the lorry driver shortage in summer 2021 which led to higher administrative costs of freight procurement. During the year, 3T deployed the Event system to two major enterprise customers; broadening its sector reach to include retail alongside agricultural products, packaging, after market vehicle parts and industrial products. Investment in development of the Event TMS has continued with an investment in research and development of £1.0m in the year to 31 March 2022 (2021: £1.3m).

The financial impact of developing Event, alongside parallel running the second-generation TMS and migration of existing customers has had a material impact on business performance. The directors review the underlying performance of the business with reference to normalised EBITDA which is presented below and adjusts operational costs to include all development costs capitalised but to exclude system transition costs, that will only be incurred whilst Event migration continues. Management presents normalised EBITDA after expensing development capital expenditure in order to present costs and EBITDA related to underlying performance from normal, ongoing trading and development activity.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£'000	£'000
Operating profit	266	1,425
Development capital expenditure	(980)	(1,271)
System transition costs	788	584
Exceptional Items	187	-
Amortisation	487	411
Depreciation	73	48
<b>Normalised EBITDA</b>	<b>821</b>	<b>1,197</b>

**OPPORTUNITIES**

For many years 3T has been included in the Gartner magic quadrant and receives considerable interest in its TMS software product from large multi-national organisations. Alongside this, as Event has a number of flexible applications that can be packaged and operated in the Cloud -3T is also beginning to increase a key part of its sales strategy on mid-market companies where the shorter sales cycle enables faster deployment, quicker benefit delivery to customers and future upsell opportunities. As a modular cloud-enabled system, 3T's TMS software should create strong growth opportunities in the Mid-Market where businesses with transport requirements may not need all modules of the full TMS system.

The Group offers a breadth of logistics market sector expertise across a broad range of market sectors and amongst other things, its TMS is used to manage outbound multi-drop optimisation, consignment optimisation and inbound optimisation as well as parcel, road, air and ocean freight. Event software is advanced and offers significant advantages over alternative systems. It is either provided on a self-service, user operated subscription basis or combined with 3T's freight management services.

3T's Event software together with its decades of logistics experience and consultancy services enable it to offer outsourced software-enabled 4PL or system-only solutions to clients and it competes with the largest providers in the market. Its software led approach combined with 4PL expertise sets it apart and makes it a highly valued partner amongst its growing customer base. Clients are supported with implementation and training in line with their requirements on a flexible basis and continuous improvement programmes add ongoing value.

Alongside growth from new customers, 3T continues to grow revenues with existing clients as clients benefit from the cost saving opportunities the software enables.

**RISKS AND UNCERTAINTIES**

Due to the nature of its service offering, and upselling success, the company currently has a significant reliance on a relatively small number of customers. This is being addressed through a sales strategy to broaden the customer base and widen the addressable market through targeted development of the modular Event system and successful introduction to the Mid- Market.

The business is currently operating and supporting two TMS's until Event is fully adopted by all customers during the 2021-22 financial year when the full benefits of the new software platform can be realised and dual running and development costs removed.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**PLANS FOR THE NEXT FINANCIAL YEAR**

The key plans for the next twelve months are:

- Completion of migration to Event TMS across the remainder of our current customer base;
- Winning and onboarding new customers and realising logistics savings for them as well as working with them on continuous improvement programmes;
- Ongoing development of the Event system to appeal to a broader addressable market; and
- Improvements in cashflows, profitability and growth as Event is deployed.

This report was approved by the board on 6 December 2022 and signed on its behalf.

**G S Marchant**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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The Directors present their report and the financial statements for the year ended 31 March 2022.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements 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 to 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.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £22,182 (2021: £1,407,342).

During the year the directors paid dividends of £288,030 (2021: £391,856). The directors do not recommend any further dividends to be paid.

**DIRECTORS**

The Directors who served during the year were:

S D Twydell  
G S Marchant (appointed 5 May 2021)  
P J Buscombe (appointed 5 May 2021)  
T D J Fawkes (resigned 5 May 2021)

**RESEARCH AND DEVELOPMENT ACTIVITIES**

The directors regard investment in research and development as integral to the continuing success of the business, expanding its technical capabilities and seeking out new and emerging technologies to extend its competitive advantage. During the year ended 31 March 2022, our total investment in activities that qualify for research and development tax credits in the year was £1.0m (2021: £1.3m).



**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**MATTERS COVERED IN THE STRATEGIC REPORT**

The review of the business, key performance indicators, future developments, principal risks and uncertainties and financial risks are not shown in the Directors' Report as they are shown in the Strategic Report in accordance with S414C(11) of the Companies Act.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**POST BALANCE SHEET EVENTS**

There have been no significant events affecting the company since the year end.

**AUDITORS**

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

**G S Marchant**

Director

Date: 6 December 2022

4 Thorpe Way  
Grove Park  
Leicester  
LE19 1SU

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T LOGISTICS LTD

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### OPINION

We have audited the financial statements of 3T Logistics Ltd (the 'company') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T LOGISTICS LTD (CONTINUED)**

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**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

We have nothing to report in respect of the following matters in relation to which 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.

**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T LOGISTICS LTD (CONTINUED)

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

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:

Our procedures surrounding the identification and assessment of risks of material misstatement in relation to irregularities, including fraud and non-compliance with laws and regulations, included the following:

- considering the nature of the entity and its environment, internal control environment, and business performance
- considering the results of our enquiries of management about their own identification and assessment of the risk of irregularities.
- obtaining and reviewing, for any matters identified, the Company's documentation of their policies and procedures relating to:
  - the identification, evaluation, and compliance with laws and regulations, and whether management were aware of any instances of non-compliance within the year;
  - the detection and response to the risk of fraud, and whether management have knowledge of actual, suspected, or alleged fraud; and
  - the internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- discussing amongst the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud. As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the completeness of revenue recognition and management override of controls. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to these identified risks.
- obtaining an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.
- considering provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included data protection regulations, health and safety regulations, and employment legislation.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 3T LOGISTICS LTD (CONTINUED)**

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AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

**Identifying and assessing potential risks related to irregularities**

The procedures undertaken in order to identify and assess risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are as follows:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- enquiring of management concerning actual and potential litigation claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement or fraud.
- reading minutes of board meetings throughout the year.
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 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.

Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

15 December 2022

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Turnover	4	<b>28,154,788</b>	22,449,915
Cost of sales		<b>(23,762,755)</b>	(18,358,819)
<b>GROSS PROFIT</b>		<b>4,392,033</b>	4,091,096
Administrative expenses		<b>(3,951,756)</b>	(2,736,873)
Exceptional administrative expenses		<b>(186,705)</b>	-
Other operating income	5	<b>12,000</b>	70,723
<b>OPERATING PROFIT</b>	6	<b>265,572</b>	1,424,946
Interest receivable and similar income	10	<b>86</b>	227
Interest payable and similar expenses	11	<b>(8,675)</b>	(17,305)
<b>PROFIT BEFORE TAX</b>		<b>256,983</b>	1,407,868
Tax on profit	12	<b>(234,801)</b>	(526)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>22,182</b>	1,407,342

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 14 to 32 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Intangible assets	15	4,364,685	3,871,908
Tangible assets	16	217,369	229,834
Investments	17	35,521	35,521
		<u>4,617,575</u>	<u>4,137,263</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	18	5,995,974	4,666,961
Cash at bank and in hand	19	168,775	265,151
		<u>6,164,749</u>	<u>4,932,112</u>
Creditors: amounts falling due within one year	20	(6,724,720)	(4,935,692)
<b>NET CURRENT LIABILITIES</b>		<u>(559,971)</u>	<u>(3,580)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,057,604</u>	<u>4,133,683</u>
Creditors: amounts falling due after more than one year	21	(277,760)	(388,880)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax	23	(1,066,027)	(711,138)
<b>NET ASSETS</b>		<u><u>2,713,817</u></u>	<u><u>3,033,665</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	24	959	959
Share premium account	25	49,950	49,950
Other reserves	25	290	290
Profit and loss account	25	2,662,618	2,982,466
		<u><u>2,713,817</u></u>	<u><u>3,033,665</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**G S Marchant**  
Director

Date: 6 December 2022

The notes on pages 14 to 32 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
<b>AT 1 APRIL 2020</b>	<b>959</b>	<b>49,950</b>	<b>290</b>	<b>1,966,980</b>	<b>2,018,179</b>
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>					
Profit for the year	-	-	-	1,407,342	1,407,342
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,407,342</b>	<b>1,407,342</b>
Equity dividends paid	-	-	-	(391,856)	(391,856)
<b>AT 1 APRIL 2021</b>	<b>959</b>	<b>49,950</b>	<b>290</b>	<b>2,982,466</b>	<b>3,033,665</b>
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>					
Profit for the year	-	-	-	22,182	22,182
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,182</b>	<b>22,182</b>
Equity dividends paid	-	-	-	(342,030)	(342,030)
<b>AT 31 MARCH 2022</b>	<b>959</b>	<b>49,950</b>	<b>290</b>	<b>2,662,618</b>	<b>2,713,817</b>

The notes on pages 14 to 32 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. GENERAL INFORMATION**

3T Logistics Ltd is a private company limited by shares, incorporated in England and Wales and domiciled in England.

The registered office is 4 Thorpe Way, Grove Park, Leicester, LE19 1SU and is registered number is 03973355.

The principal activity of the company during the year was the provision of service activities incidental to land transportation.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

These financial statements cover the individual entity only, and are presented in Sterling rounded to the nearest £1.

Certain prior year amounts have been reclassified for consistency with the current year presentation and to ensure a more accurate representation of the company's activities. These reclassifications had no effect on the reported results of the company.

The following principal accounting policies have been applied:

**2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of 3T Logistics Holdings Limited as at 31 March 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF13 3UZ.

**2.3 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS**

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)****2.4 GOING CONCERN**

The directors have reviewed budgets and forecasts for a period of 12 months from approval of the financial statement. Considering this and profits generated by the company, they consider that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**2.5 FOREIGN CURRENCY TRANSLATION****Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.6 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.7 OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 RESEARCH AND DEVELOPMENT**

Research and development tax credits where losses are surrendered are treated as grant income and are recognised within other operating income in the Statement of Comprehensive Income.

**2.9 GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.10 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

**2.11 FINANCE COSTS**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.12 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.13 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.14 CURRENT AND DEFERRED TAXATION**

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

The current income 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 company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.15 EXCEPTIONAL ITEMS**

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.16 INTANGIBLE ASSETS**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development. If it is not possible to distinguish between the research phase and the development phase of an internal project. The expenditure is treated as if it were all incurred in the research phase only.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised evenly over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

The estimated useful lives range as follows:

Development expenditure	-	8.33% straight line
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**2.17 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.17 TANGIBLE FIXED ASSETS (CONTINUED)**

Repairs and maintenance are charged to profit and loss during the period in which they are incurred. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20%	straight line
Office equipment	-	33%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in administrative expenses within profit or loss.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

**2.18 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments are reviewed for impairment annually. If an impairment loss is identified this is recognised immediately in profit or loss and the value of the investment reduced accordingly.

**2.19 DEBTORS**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.20 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.21 CREDITORS**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (continued)****2.22 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.23 FINANCIAL INSTRUMENTS**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from third parties and balances with related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

**2.24 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

3.

**JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The company makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

**Development expenditure**

Development is capitalised in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

4. **TURNOVER**

The whole of the turnover is attributable to the one principal activity of the business, being the provision of service activities incidental to land transportation.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	25,606,592	20,151,275
Rest of Europe	1,655,114	1,928,303
Rest of the world	893,082	370,337
	<u>28,154,788</u>	<u>22,449,915</u>

5. **OTHER OPERATING INCOME**

	2022 £	2021 £
Government grants receivable	<u>12,000</u>	<u>70,723</u>

The company received grant income totalling £NIL (2021: £31,723) in relation to the Coronavirus Job Retention Scheme (CJRS) where the company received government assistance of 80% of the cost of furloughed staff. Income has been accounted for under the accruals model as revenue grants.

In addition, through its use of the Coronavirus Business Interruption Loan Scheme the company received government assistance in the form of interest paid on loans totalling £12,000 (2021: £14,000). See note 22 for further details.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**6. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>2022</b>	2021
	<b>£</b>	£
Depreciation of tangible fixed assets	<b>72,777</b>	47,840
Amortisation of intangible fixed assets	<b>486,938</b>	411,073
Exchange differences	<b>24,895</b>	23,508
Other operating lease rentals	<b><u>85,944</u></b>	<b><u>70,202</u></b>

**7. AUDITORS' REMUNERATION**

	<b>2022</b>	2021
	<b>£</b>	£
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<b><u>12,300</u></b>	<b><u>11,740</u></b>

The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. EMPLOYEES**

Staff costs, including Directors' remuneration, were as follows:

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,800,241</b>	3,108,112
Social security costs	<b>399,210</b>	329,783
Cost of defined contribution scheme	<b>88,460</b>	111,207
	<b><u>4,287,911</u></b>	<b><u>3,549,102</u></b>

During the year the company capitalised £732,398 (2021: £986,359) of staff costs as intangible fixed assets.

The average monthly number of employees, including the Directors, during the year was as follows:

	<b>2022</b>	2021
	<b>No.</b>	<b>No.</b>
Directors	<b>3</b>	2
Administration	<b>7</b>	8
Sales and marketing	<b>4</b>	3
Operations	<b>50</b>	49
IT	<b>21</b>	17
	<b><u>85</u></b>	<b><u>79</u></b>

**9. DIRECTORS' REMUNERATION**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>165,296</b>	32,432
Company contributions to defined contribution pension schemes	<b>6,992</b>	27,435
	<b><u>172,288</u></b>	<b><u>59,867</u></b>

During the year retirement benefits were accruing to 2 Directors (2021: 1) in respect of defined contribution pension schemes.

**10. INTEREST RECEIVABLE**

<b>2022</b>	2021
<b>£</b>	<b>£</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**11. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022 £	2021 £
Bank interest payable	<u>8,675</u>	<u>17,305</u>

**12. TAXATION**

	2022 £	2021 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	(200,481)	(179,924)
Adjustments in respect of previous periods	<u>80,393</u>	<u>-</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	<u>354,889</u>	<u>180,450</u>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>234,801</u>	<u>526</u>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>256,983</u>	<u>1,407,868</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	48,827	267,495
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	1,828	6,530
Capital allowances for year in excess of depreciation	(3,284)	-
Surrender of tax losses for R&D tax credit refund	262,699	235,762
Non-taxable income	-	(34,186)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(218,342)	(329,336)
Remeasurement of deferred tax	255,846	-
Differences in relation to prior periods	87,708	-
R&D provision	(200,481)	(145,739)
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u>234,801</u>	<u>526</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**12. TAXATION (CONTINUED)**

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The company has losses available to offset against future trading profits of £61,477 (2021: £61,477).

**13. DIVIDENDS**

	2022 £	2021 £
Equity dividends paid	<u>342,030</u>	<u>391,856</u>

**14. EXCEPTIONAL ITEMS**

	2022 £	2021 £
Restructuring costs	<u>186,705</u>	<u>-</u>

**15. INTANGIBLE ASSETS**

	Development expenditure £
<b>COST</b>	
At 1 April 2021	6,661,418
Additions	979,715
At 31 March 2022	<u>7,641,133</u>
<b>AMORTISATION</b>	
At 1 April 2021	2,789,510
Charge for the year on owned assets	486,938
At 31 March 2022	<u>3,276,448</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>4,364,685</u>
At 31 March 2021	<u>3,871,908</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**16. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Office equipment £	Total £
<b>COST</b>			
At 1 April 2021	189,275	146,373	335,648
Additions	7,648	56,026	63,674
Disposals	-	(3,362)	(3,362)
At 31 March 2022	196,923	199,037	395,960
<b>DEPRECIATION</b>			
At 1 April 2021	15,807	90,007	105,814
Charge for the year on owned assets	38,179	34,598	72,777
At 31 March 2022	53,986	124,605	178,591
<b>NET BOOK VALUE</b>			
At 31 March 2022	142,937	74,432	217,369
At 31 March 2021	173,468	56,366	229,834

**17. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 April 2021	35,521
At 31 March 2022	35,521

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
3T Logistics SAS	3, Rue Gustave Eiffel, 78300 POISSY, France	Ordinary	100 %
3T Solo Limited	4 Thorpe Way, Grove Park, Leicester, LE19 1SU	Ordinary	100 %
3T Symphony Limited	4 Thorpe Way, Grove Park, Leicester, LE19 1SU	Ordinary	100 %

**18. DEBTORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>5,083,625</b>	3,703,704
Amounts owed by group undertakings	<b>270,193</b>	319,703
Other debtors	<b>122,596</b>	121,640
Prepayments and accrued income	<b>319,079</b>	182,535
Tax recoverable	<b>200,481</b>	339,379
	<b><u>5,995,974</u></b>	<b><u>4,666,961</u></b>

Amounts included within trade debtors at the year end that are subject to invoice discounting totalled £5,083,625 (2021: £3,703,704).

**19. CASH AND CASH EQUIVALENTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b><u>168,775</u></b>	<b><u>265,151</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Bank loans	111,120	111,120
Invoice discounting (secured)	183,792	188,014
Trade creditors	4,713,391	3,758,583
Amounts owed to group undertakings	272,608	62,560
Other taxation and social security	558,618	340,014
Other creditors	23,433	38,227
Accruals and deferred income	861,758	437,174
	<u>6,724,720</u>	<u>4,935,692</u>

**Secured creditors**

See further details on security of bank loans in note 22.

The invoice discounting facility of £183,792 (2021: £188,014) was secured on the book debts to which they relate in addition to a fixed and floating charge over all assets of the company.

**21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Bank loans	<u>277,760</u>	<u>388,880</u>

**Secured creditors**

See further details on security of bank loans in note 22.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**22. LOANS**

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year	111,120	111,120
Amounts falling due within 1-2 years	111,120	111,120
Amounts falling due within 2-5 years	166,640	277,760
	<u>388,880</u>	<u>500,000</u>

The bank loan above is a Coronavirus Business Interruption Loan Agreement which is repayable over 5 years, with no repayments required in the first 6 months and with interest in the first 12 months being covered by the UK Government. The first repayment was made in April 2021. This loan carries interest at 5.5% above bank base rate.

The CBILs loan is secured by a personal guarantee of £50,000 by a director of the company.

**23. DEFERRED TAXATION**

	2022 £	2021 £
At beginning of year	(711,138)	(530,688)
Charged to profit or loss	(354,889)	(180,450)
<b>AT END OF YEAR</b>	<u>(1,066,027)</u>	<u>(711,138)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(1,083,230)	(725,851)
Tax losses carried forward	15,369	11,680
Short term timing differences	1,834	3,033
	<u>(1,066,027)</u>	<u>(711,138)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**24. SHARE CAPITAL**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
959 (2021: 959) Ordinary shares of £1.00 each	<u><b>959</b></u>	<u><b>959</b></u>

**25. RESERVES****Share capital**

Share capital reserve represents the nominal value of shares issued.

**Share premium account**

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

**Capital redemption reserve**

The capital redemption reserve contains the nominal value of own shares that have been acquired by the Company and cancelled.

**Profit and loss account**

Retained earnings represents accumulated profits for the year, less dividends paid and other adjustments.

**26. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £88,460 (2021: £111,207). Contributions totalling £7,338 (2021: £15,964) were payable to the fund at the Balance Sheet date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**27. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2022</b>	2021
	<b>£</b>	£
<b>Land and buildings</b>		
Not later than 1 year	<b>85,000</b>	85,000
Later than 1 year and not later than 5 years	<b>425,000</b>	340,000
Later than 5 years	<b>255,000</b>	382,500
	<u><b>765,000</b></u>	<u>807,500</u>
	<b>2022</b>	2021
	<b>£</b>	£
<b>Other operating leases</b>		
Not later than 1 year	<b>298,011</b>	286,777
Later than 1 year and not later than 5 years	<b>67,872</b>	65,337
	<u><b>365,883</b></u>	<u>352,114</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**28. RELATED PARTY TRANSACTIONS**

Movements on directors' loan accounts during the year were as follows:

	S Twydell £	T Fawkes £
Opening balance	67,917	(9,052)
Dividends received	(200,886)	(12,293)
Drawings	200,886	21,345
	<u>67,917</u>	<u>-</u>

During the year, dividends totalling £288,030 (2021: £273,615) were paid to directors and their wives through the ultimate parent company, 3T Logistics Holdings Limited.

As the company is a wholly owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of the FRS 102 section 33.1A exemption from disclosing transactions with group undertakings .

is a related party to the company by virtue of his shareholding in the parent company, 3T Logistics Holdings Limited. At the year end £ (2021: £) was owed by the company and is included within other creditors due within one year. During the year dividends of £74,855 (2021: £74,855) were received from the parent company, 3T Logistics Holdings Limited and drawings of £80,651 (2021: £61,838) were withdrawn.

is a related party to the company by virtue of his shareholding in the parent company, 3T Logistics Holding Limited. At the year end £ (2021: £) was owed by the company and is included within other creditors due within one year. During the year dividends of £NIL (2021: £43,386) were received from the parent company, 3T Logistics Holdings Limited, drawings of £NIL (2021: £38,123) were withdrawn.

are a related party to the company due to P Donovan being a director of the company. During the year purchases totalling £ (2021: £) of which £ (2021: £) remained payable at the year end.

are a related party to the company due to P Buscombe being a director of the company. During the year purchases totalling £ (2021: £) of which £ (2021: £) remained payable at the year end.

**29. CONTROLLING PARTY**

The company's immediate and ultimate parent company is . This is the parent undertaking of the largest and smallest group for which consolidated financial statements are prepared. Consolidated financial statements for 3T Logistics Holdings Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

In the opinion of the directors the ultimate controlling party is S Twydell, a director of the parent company, by virtue of his majority shareholding in 3T Logistics Holdings Limited.



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