

**H M Logistics Limited**  
**Company Number 07905936**

**Annual report and financial statements - 31 March 2019**

SATURDAY



\*A8WXELIO\*

A07

18/01/2020

#295

COMPANIES HOUSE

**H M Logistics Limited**  
**Contents**  
**For the year ended 31 March 2019**

Strategic report	2
Directors' report	4
Independent auditors' report to the members of H M Logistics Limited	6
Income statement	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11

**H M Logistics Limited**  
**Strategic report**  
**For the year ended 31 March 2019**

The directors present their Strategic report for the year ended 31 March 2019.

**Principal activities**

The principal activity of the company is to act as an investment holding company.

**Business review**

***Review of the development and performance of the company***

The company is a member of the group of companies headed by Turnstone Equityco 1 Limited ('the group'). The principal activities of the group are the operation of dental practices and the provision of materials, services and equipment to dental practices.

The group is organised into two distinct business units and provides a range of National Health Service ('NHS') and private dental services from practices throughout the United Kingdom along with support services to other third party dental practices and the wider healthcare sector.

On 4 October 2018, the company disposed of 100% of the issued share capital of PDS Dental Laboratory Leeds Limited, along with its wholly owned subsidiary A-List Dentistry Limited, for nominal consideration.

***Strategy and future outlook***

The company is expected to remain an investment holding company during the forthcoming year.

***Financial review***

Operating loss for the year was £55,006 (2018: £1,800,213). The loss for the financial year was £55,019 (2018: £1,800,488).

Earnings before interest, tax, depreciation and amortisation ("EBITDA") is the key indicator for the company's stakeholders. In the year EBITDA before the loss on disposal of assets was a loss of £4,567 (2018: profit of £3,700).

***Principal risks and uncertainties***

The company's risks and uncertainties are integrated with the principal risks and uncertainties of the group. Accordingly, the principal risks and uncertainties of Turnstone Equityco 1 Limited, which includes those of the company, are discussed in the Strategic report in the financial statements of Turnstone Equityco 1 Limited which does not form part of this report.

The consolidated financial statements of Turnstone Equityco 1 Limited are publicly available and may be obtained from the Company Secretary, Turnstone Equityco 1 Limited, Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

**Financial risk management**

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk and inflation risk.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

***Credit risk***

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations. New customers are subject to external credit checks using the main agencies. Credit terms are negotiated individually and subsequently monitored closely by the credit control team. The company has no significant concentration of credit risk as third party exposure is spread over a number of customers.

**H M Logistics Limited**  
**Strategic report**  
**For the year ended 31 March 2019**

***Liquidity risk***

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

***Market risk***

Market risk is the risk that changes in foreign exchange rates will affect the company's income. The Company purchases certain materials in currencies other than sterling. The group mitigates this risk through the use of, for example, derivative financial instruments such as foreign currency forward contracts or option contracts. This risk is also managed through competitive tendering for the group's significant supply contracts.

***Inflation risk***

Inflation risk is the risk that the cost of key services and products procured by the company will rise with inflation and affect the company's income.

The company undergoes a regular review of key suppliers through its procurement programme to mitigate cost increases, using tendering processes where possible. In addition, the company seeks to rationalise its supplier base to benefit from its scale.

On behalf of the Board



---

B Goodger  
Director

16 January 2020

**H M Logistics Limited**  
**Directors' report**  
**For the year ended 31 March 2019**

The directors present their report and the audited financial statements for the year ended 31 March 2019.

**Financial risk management**

Please refer to the Strategic report for a description of the company's financial risk management processes.

**Future developments**

Please refer to the strategy and future outlook section of the Strategic report for a description of future developments.

**Proposed dividend**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Directors**

The directors who held office during the financial year and to the date of this report are as follows:

GP Adams	(appointed 9 October 2018)
B Goodger	(appointed 14 August 2019)
T Riall	
J Bonnavion	(resigned 8 May 2018)
O Shafi Khan	(resigned 5 April 2019)
RM Stephenson	(resigned 20 April 2018)
M Wheatstone	(resigned 18 October 2018)

The directors benefitted from qualifying third party indemnity provisions in place during the financial year and to the date of this report.

**Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the 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 United Kingdom Accounting Standards, comprising FRS 102, 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.

The directors 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.

**H M Logistics Limited**  
**Directors' report**  
**For the year ended 31 March 2019**

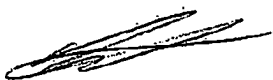
**Disclosure of information to auditors**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Independent auditors**

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution that they be reappointed as auditors will be proposed at the annual general meeting.

On behalf of the Board



---

B Goodger  
Director

16 January 2020

Europa House  
Europa Trading Estate  
Stoneclough Road  
Kearsley  
Manchester  
M26 1GG

**H M Logistics Limited**  
**Independent auditors' report to the members of H M Logistics Limited**  
**For the year ended 31 March 2019**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, H M Logistics Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2019; the Income statement, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

**H M Logistics Limited**  
**Independent auditors' report to the members of H M Logistics Limited**  
**For the year ended 31 March 2019**

***Strategic Report and Directors' report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

**Responsibilities for the financial statements and the audit**

***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

***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.

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

***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Randal Casson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
16 January 2020



**H M Logistics Limited**  
**Income statement**  
**For the year ended 31 March 2019**

	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Administrative expenses		(55,006)	(1,300)
Impairment of investment in subsidiary		<u>-</u>	<u>(1,798,913)</u>
<b>Operating loss</b>	<b>4</b>	<b>(55,006)</b>	<b>(1,800,213)</b>
Interest payable and similar expenses	<b>6</b>	<u>(13)</u>	<u>(275)</u>
<b>Loss before tax on ordinary activities</b>		<b>(55,019)</b>	<b>(1,800,488)</b>
Tax on ordinary activities	<b>7</b>	<u>-</u>	<u>-</u>
<b>Loss after tax on ordinary activities for the year</b>		<b>(55,019)</b>	<b>(1,800,488)</b>
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive expense for the year</b>		<u><b>(55,019)</b></u>	<u><b>(1,800,488)</b></u>

*The above income statement should be read in conjunction with the accompanying notes*

**H M Logistics Limited**  
**Balance sheet**  
**As at 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	8	-	15,000
Investments	9	57,049,336	56,976,613
Total fixed assets		<u>57,049,336</u>	<u>56,991,613</u>
<b>Current assets</b>			
Debtors	10	160,844	204,123
Cash at bank and in hand		11,359	8,763
Total current assets		<u>172,203</u>	<u>212,886</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	11	16,084,866	16,012,807
Total current liabilities		<u>16,084,866</u>	<u>16,012,807</u>
<b>Net current liabilities</b>		<u>(15,912,663)</u>	<u>(15,799,921)</u>
<b>Total assets less current liabilities</b>		<u>41,136,673</u>	<u>41,191,692</u>
<b>Net assets</b>		<u>41,136,673</u>	<u>41,191,692</u>
<b>Capital and reserves</b>			
Called up share capital	12	10,000	10,000
Share premium account	13	43,010,585	43,010,585
Accumulated losses	14	(1,883,912)	(1,828,893)
<b>Total capital and reserves</b>		<u>41,136,673</u>	<u>41,191,692</u>

The notes on pages 11 to 17 form an integral part of these financial statements.

H M Logistics Limited's company number is 07905936.

These financial statements on pages 8 to 17 were approved by the board of directors on 16 January 2020 and were signed on its behalf by:



\_\_\_\_\_  
B Goodger  
Director

16 January 2020

*The above balance sheet should be read in conjunction with the accompanying notes*

**H M Logistics Limited**  
**Statement of changes in equity**  
**For the year ended 31 March 2019**

	<b>Called up share capital £</b>	<b>Share premium account £</b>	<b>Accumulated losses £</b>	<b>Total capital and reserves £</b>
Balance at 1 April 2017	10,000	43,010,585	(28,405)	42,992,180
Loss after tax on ordinary activities for the year	-	-	(1,800,488)	(1,800,488)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive expense for the year	-	-	(1,800,488)	(1,800,488)
Balance at 31 March 2018	<u>10,000</u>	<u>43,010,585</u>	<u>(1,828,893)</u>	<u>41,191,692</u>

	<b>Called up share capital £</b>	<b>Share premium account £</b>	<b>Accumulated losses £</b>	<b>Total capital and reserves £</b>
Balance at 1 April 2018	10,000	43,010,585	(1,828,893)	41,191,692
Loss after tax on ordinary activities for the year	-	-	(55,019)	(55,019)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive expense for the year	-	-	(55,019)	(55,019)
Balance at 31 March 2019	<u>10,000</u>	<u>43,010,585</u>	<u>(1,883,912)</u>	<u>41,136,673</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**1. Company information**

The financial statements cover H M Logistics Limited as an individual entity. The financial statements are presented in Pound sterling, which is H M Logistics Limited's functional and presentation currency.

The company is a private company limited by shares, incorporated in the United Kingdom and domiciled in England. Its registered office is Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

The principal activity of the company is to act as an investment holding company.

The company is a member of the group of companies headed by Turnstone Equityco 1 Limited ('the group'). The principal activities of the group are the operation of dental practices and the provision of materials, services and equipment to dental practices.

**2. Accounting policies**

***Basis of preparation***

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Ireland ('FRS 102'), and with the Companies Act 2006.

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

These financial statements are prepared on a going concern basis, under the historical cost convention.

A summary of the more important accounting policies, which have been applied on a consistent basis, is set out below.

***Exemptions for qualifying entities under FRS 102***

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of, and no objection to, the use of the exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and that the company's cash flows are included within the consolidated cash flow statement for the group;
- from preparing a reconciliation of the number of shares outstanding at the beginning and end of the financial year;
- from disclosing the compensation paid to the company's key management personnel; and
- from disclosing related party transactions between wholly owned entities that are part of the Turnstone Equityco 1 Limited group of companies.

***Taxation***

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**2. Accounting policies (continued)**

***Intangible fixed assets and amortisation***

Intangible fixed assets are stated at historic purchase cost less accumulated amortisation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost of each asset less expected residual value over its expected useful life as follows:

Intellectual property assets	5 years
------------------------------	---------

Where the residual value of an asset is material it is reviewed at the end of each financial year, to ensure that it has been depreciated on an appropriate basis.

***Investments***

Investments held as fixed assets are stated at historical purchase cost less amounts written off for impairment.

***Impairment of fixed assets***

At each reporting date intangible assets and investments are reviewed to determine whether there is any indication that they have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected investment is estimated as the higher of its fair value less costs to sell or the value in use. This is then compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the investment in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

***Financial instruments***

Basic financial assets and liabilities, including trade and other receivables, trade and other payables, amounts owed to and by group undertakings and cash balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

**3. Significant accounting judgements and estimates**

In preparing the financial statements, the directors are required to make significant judgements and estimates. The principal areas of the financial statements where judgements and estimates have been made are:

***Impairment of fixed assets***

At each reporting date, intangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. In determining whether there is an indication of impairment a number of judgemental factors must be considered, including an estimate of the future economic benefits that can be derived from the assets and current market conditions.

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**3. Significant accounting judgements and estimates (continued)**

*Income tax*

The current income tax provision directly relates to the actual tax payable on the group's profits. Assumptions and judgements are made in applying tax laws to the taxable profits in any given period in order to calculate the tax charge for that year, including any deferred income tax element. Where the eventual tax paid or reclaimed is different to the amounts originally estimated, or where deferred tax estimates are revised, the difference will be charged or credited to the income statement in the period in which it is determined. See also note 7.

*Useful economic lives of fixed assets*

Intangible assets are amortised over their useful economic lives. Useful lives are based on management's estimates of the period over which the assets will generate income. Useful lives are periodically reviewed for their continued appropriateness. Changes to estimates can result in changes in the carrying values and hence change the amounts charged to the income statement in particular periods which could be significant. More details, including carrying values, are included in note 8.

*Carrying value of financial assets and liabilities*

At the end of each reporting period, the directors assess the carrying value of financial assets for objective evidence of impairment. In addition, where financial assets or liabilities constitute a financing arrangement, the value of the asset or liability is measured by reference to the present value of the estimated future cash flows. Both of these estimates require the future cash flows arising from the financial assets or liabilities to be estimated and an appropriate discount rate to be selected.

**4. Operating loss**

	2019 £	2018 £
<b>Operating loss after charging:</b>		
Amortisation of intangible assets	15,000	5,000
Impairment of investment in PDS Dental Laboratory Leeds Limited	-	1,798,913
Loss on disposal of assets	35,439	-
	<b>2019 £</b>	<b>2018 £</b>

**Auditors' remuneration**

Amounts receivable by the auditors and their associates in respect of:

Fees payable for the audit	<u>1,500</u>	<u>1,200</u>
----------------------------	--------------	--------------

*Loss on disposal of assets*

The loss on disposal of assets relates to the write off of an intercompany loan with PDS Dental Laboratory Leeds Limited, which was waived following the disposal of the subsidiary company on 4 October 2018 (see note 9).

**5. Directors and employees**

The directors received no emoluments from the company for their services during the financial year (2018: £nil). The emoluments received as a director of a group trading company are disclosed in the financial statements of Billericay Dental Supply Co. Limited for GP Adams and RM Stephenson, in the financial statements of Turnstone Equityco 1 Limited for T Riall and O Shafi Khan, and in the financial statements of Billericay Dental Supply Co. Limited for RM Stephenson and M Wheatstone.

The company had no employees during the year (2018: none).

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**6. Interest payable and similar expenses**

	2019 £	2018 £
Bank loans and overdrafts	<u>13</u>	<u>275</u>

**7. Tax on ordinary activities**

**Factors affecting the tax credit for the financial year**

The tax charge for the year is higher (2018: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2019 of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Loss before tax on ordinary activities	<u>(55,019)</u>	<u>(1,800,488)</u>
Tax at the statutory tax rate of 19%	(10,454)	(342,093)
Expenses not deductible for tax purposes	9,757	342,744
Utilisation of brought forward losses	-	(651)
Group relief claimed for nil consideration	<u>697</u>	<u>-</u>
Tax on ordinary activities	<u>-</u>	<u>-</u>

The main rate of corporation tax reduced from 20% to 19% with effect from 1 April 2017. A further reduction in the main rate of corporation tax to 17% from 1 April 2020 was substantively enacted on 15 September 2016 and the deferred tax asset has been re-measured accordingly.

**8. Intangible assets**

	Intellectual property £
<b>Cost</b>	
At 1 April 2018 and 31 March 2019	<u>25,002</u>
<b>Accumulated amortisation</b>	
At 1 April 2018	10,002
Charge for the year	<u>15,000</u>
At 31 March 2019	<u>25,002</u>
<b>Net book value</b>	
At 31 March 2019	<u>-</u>
At 31 March 2018	<u>15,000</u>

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**9. Investments**

	<b>Shares in subsidiary £</b>
<b>Cost</b>	
At 1 April 2018	58,775,526
Adjustment to the cost of investment in subsidiary undertakings acquired in previous years	72,723
Disposals	<u>(1,798,913)</u>
At 31 March 2019	<u><u>57,049,336</u></u>
<b>Accumulated impairment</b>	
At 1 April 2018	1,798,913
Disposals	<u>(1,798,913)</u>
At 31 March 2019	<u><u>-</u></u>
<b>Net book value</b>	
At 31 March 2019	<u><u>57,049,336</u></u>
At 31 March 2018	<u><u>56,976,613</u></u>

On 4 October 2018, the company disposed of 100% of the issued share capital in PDS Dental Laboratory Leeds Limited, along with its wholly owned subsidiary A-List Dentistry Limited, for nominal consideration. In the year ended 31 March 2018, the entire investment value held in PDS Dental Laboratory Leeds Limited was impaired down to nil, resulting in a nil net book value on disposal.

The table below provides details of the company's subsidiary undertakings as at 31 March 2019. The company holds 100% of the ordinary share capital of each of the companies listed, either directly or indirectly (indicated by a \* in the tables below).

All of the subsidiary companies are incorporated in the United Kingdom.



**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**9. Investments (continued)**

In the opinion of the directors, the value of the company's investments in its subsidiaries is not less than the amount at which it is shown in the balance sheet.

Name of subsidiary	Principal activity	Domiciled in	Note
BF Mulholland Limited	Healthcare goods and services	Northern Ireland	c
BF Mulholland Ire Limited (*)	Dormant	Ireland	d
Billericay Dental Supply Co. Limited	Healthcare goods and services	England	a
Dolby Medical Limited	Equipment servicing	Scotland	b
Dolby Medical EBT Trustee Limited (*)	Non-trading	Scotland	b
Handpiece Express Limited (*)	Dormant	England	a
HM Logistics Limited	Healthcare goods and services	England	a
Med-FX Limited	Distributor of facial aesthetics products	England	a
Mi-Tec Limited	Equipment repair	England	a
Mintek UK Limited	Healthcare goods and services	England	a
Unodent Limited	Dormant	England	a
X-Dent Limited	Healthcare goods and services	Jersey	e

**Notes**

a. The registered address of subsidiaries domiciled in England is Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

b. The registered address of subsidiaries domiciled in Scotland is 1 Johnston Street, Paisley, Renfrewshire, PA1 1XQ.

c. The registered address of subsidiaries domiciled in Northern Ireland is c/o A&L Goodbody Solicitors, 6th Floor, 42-46 Fountain Street, Belfast, BT1 5EF.

d. The registered address of subsidiaries domiciled in Ireland is The Black Church, St Mary's Place, Dublin 7, D07P4AX.

e. The registered address of subsidiaries domiciled in Jersey is PO Box 771, Ground Floor, Colomberie Close, St Helier, Jersey, JE4 0RX.

(\*) Subsidiary indirectly owned by the company.

**10. Debtors**

	2019 £	2018 £
Trade debtors	118	114
Amounts owed by group undertakings	160,683	194,683
Other debtors	43	9,326
	<u>160,844</u>	<u>204,123</u>

Amounts owed by group undertakings are unsecured, are not subject to an interest charge and are repayable on demand.

**11. Creditors: amounts falling due within one year**

	2019 £	2018 £
Amounts owed to group undertakings	16,081,143	16,009,069
Accruals and deferred income	3,723	3,738
	<u>16,084,866</u>	<u>16,012,807</u>

Amounts owed to group undertakings are unsecured, are not subject to an interest charge and are repayable on demand.

**H M Logistics Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**12. Called up share capital**

The allotted, called up and fully paid share capital is as follows:

	2019 No. of shares	2019 £	2018 No. of shares	2018 £
Ordinary shares of £0.01 each	1,000,000	10,000	1,000,000	10,000

**13. Share premium account**

The amount subscribed for share capital in excess of nominal value less any costs directly attributable to the issue of new shares.

**14. Accumulated losses**

Cumulative net gains and losses recognised in the company income statement or through equity.

**15. Financial assets and liabilities**

The company has the following financial instruments:

	2019 £	2018 £
<b>Financial assets measured at amortised cost</b>		
Trade debtors (note 10)	118	114
Amounts owed by group undertakings (note 10)	160,683	194,683
Other debtors (note 10)	43	9,326
	<u>160,844</u>	<u>204,123</u>
	2019 £	2018 £
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors (note 11)	(16,081,143)	(16,009,069)
Accruals and deferred income (note 11)	(3,723)	(3,738)
	<u>(16,084,866)</u>	<u>(16,012,807)</u>

**16. Controlling party**

The immediate parent undertaking is The Dental Directory Limited, incorporated in the United Kingdom.

The results of the company are consolidated in the financial statements of Turnstone Equityco 1 Limited, a company incorporated in the United Kingdom.

Turnstone Midco 2 Limited is the parent undertaking of the smallest group to consolidate these financial statements. Turnstone Equityco 1 Limited is the parent undertaking of the largest group to consolidate these financial statements. The consolidated financial statements of both Turnstone Midco 2 Limited and Turnstone Equityco 1 Limited are publicly available and may be obtained from Turnstone Equityco 1 Limited, Europa House, Stoneclough Road, Kearsley, Manchester, M26 1GG.

The ultimate controlling party is considered by the directors to be CEP III Participations S.a.r.l. SICAR, an investment vehicle for The Carlyle Group. CEP III Participations S.a.r.l. SICAR is the controlling party of Turnstone Equityco 1 Limited.