

Registered number: 0444555

MANN & SON (LONDON) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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MANN & SON (LONDON) LIMITED
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COMPANY INFORMATION

Directors	A W S Binks T A Binks W A Binks
Company secretary	J P Ward
Registered number	0444555
Registered office	Naval House Kings Quay Street Harwich Essex CO123JJ
Independent auditors	KPMG LLP (UK) Botanic House 100 Hills Road Cambridge CB21AR

MANN & SON (LONDON) LIMITED

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MANN & SON (LONDON) LIMITED
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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 judgments and accounting estimates that are reasonable and prudent;
- ☐ 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.

Principal activity

The principal activities of the company are ships' agency and forwarding.

Directors

The directors who served during the year were:

A W S Binks
T A Binks
W A Binks

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.

MANN & SON (LONDON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Auditor

Under section 487(2) of the Companies Act 2006, KPMG LLP (UK) will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 September 2017 and signed on its behalf.



A W S Binks
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANN & SON (LONDON) LIMITED

We have audited the financial statements of Mann & Son (London) Limited for the year ended 31 December 2016 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

S Beavis

Stephanie Beavis (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB21AR

27 September 2017

MANN & SON (LONDON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover		4,048,646	2,217,371
Gross profit		4,048,646	2,217,371
Administrative expenses		(4,217,364)	(2,552,841)
Operating loss		(168,718)	(335,470)
Interest payable and expenses		(11,704)	(12,950)
Loss before tax		(180,422)	(348,420)
Tax on loss	4	35,197	233,409
Loss for the year		(145,225)	(115,011)
Other comprehensive income for the year			
Group relief at gross value		360,059	-
Other comprehensive income for the year		360,059	-
Total comprehensive income for the year		214,834	(115,011)

The notes on pages 9 to 17 form part of these financial statements.

MANN & SON (LONDON) LIMITED
REGISTERED NUMBER: 0444555

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	90,397	118,009
		<u>90,397</u>	<u>118,009</u>
Current assets			
Debtors: amounts falling due within one year	6	1,918,144	2,152,997
Cash at bank and in hand	7	328,441	277,710
		<u>2,246,585</u>	<u>2,430,707</u>
Creditors: amounts falling due within one year	8	(1,855,033)	(2,266,885)
Net current assets		<u>391,552</u>	<u>163,822</u>
Total assets less current liabilities		<u>481,949</u>	<u>281,831</u>
Creditors: amounts falling due after more than one year	9	(3,887)	(18,603)
Net assets		<u><u>478,062</u></u>	<u><u>263,228</u></u>
Capital and reserves			
Called up share capital		1,868,000	1,868,000
Profit and loss account		(1,389,938)	(1,604,772)
		<u><u>478,062</u></u>	<u><u>263,228</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2017.


A W S Binks

Director

The notes on pages 9 to 17 form part of these financial statements.

MANN & SON (LONDON) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1,868,000	(1,604,772)	263,228
Comprehensive income for the year			
Loss for the year	-	(145,225)	(145,225)
Group relief at gross value	-	360,059	360,059
Other comprehensive income for the year	-	360,059	360,059
Total comprehensive income for the year	-	214,834	214,834
Total transactions with owners	-	-	-
At 31 December 2016	1,868,000	(1,389,938)	478,062

MANN & SON (LONDON) LIMITED
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	1,868,000	(1,489,761)	378,239
Comprehensive income for the year			
Loss for the year	-	(115,011)	(115,011)
	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(115,011)	(115,011)
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2015	1,868,000	(1,604,772)	263,228
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 17 form part of these financial statements.

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies

1.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK General Accepted Accounting Practice applicable to Small Entities) ("Section 1A of FRS102") as issued in August 2015. The amendments to section 1A of FRS 102 issued in July 2016 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

The Company's parent undertaking M-Ship Limited included the Company in its consolidated financial statements. The consolidated financial statements of M-Ship Limited are prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK General Accepted Accounting Practice) and are available to the public and may be obtained from the Registrar of Companies (England & Wales). In these financial statements, the company is considered to be qualifying entity (for the purpose of this FRS) and has applied the exemptions available under section 1A of FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The following principal accounting policies have been applied:

1.2 Going concern

Management have reviewed the Company's financial position, which has net current liabilities, along with forecasts. Management have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company continues to adopt the going concern basis in preparing its financial statements.

1.3 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.

1.4 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies (continued)

1.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 33% straight line
Plant and machinery	- 15% - 20% straight line
Motor vehicles	- 25% - 50% 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 the Statement of Comprehensive Income.

1.5 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.

1.6 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.

1.7 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.

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies (continued)

1.8 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 the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

1.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

1.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

1.11 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

1.12 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet date in the countries where the Company operates and generates income.

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>4,300</u>	<u>4,450</u>

3. Employees

The average monthly number of employees, including directors, during the year was 17 (2015 - 17).

4. Taxation

	2016 £	2015 £
Corporation tax		
Adjustments in respect of previous periods	-	(233,409)
	<u>-</u>	<u>(233,409)</u>
Group taxation relief	(35,197)	-
	<u>(35,197)</u>	<u>(233,409)</u>
Total current tax	<u>(35,197)</u>	<u>(233,409)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>(35,197)</u>	<u>(233,409)</u>

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	(180,422)	(348,420)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(36,084)	(70,555)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	715	1,536
Capital allowances for year in excess of depreciation	-	1,779
Increase or decrease in pension contributions	-	(67,590)
Deferred tax adjustment	93	-
Other timing differences leading to an increase (decrease) in taxation	79	-
Loan waiver	-	(98,579)
Group relief surrendered	35,197	241,331
Group relief payment / receipt	(35,197)	(241,331)
Total tax charge for the year	(35,197)	(233,409)

Factors that may affect future tax charges

During the year the UK corporation tax rate has decreased. Following Budget 2016 announcements, there will be a further reduction in the main rate of corporation tax to 19% effective from 1st April 2017 and then a further reduction in the rate to 18% effective from 1 April 2020.

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	16,574	357,505	213,924	588,003
Additions	-	14,000	-	14,000
At 31 December 2016	16,574	371,505	213,924	602,003
Depreciation				
At 1 January 2016	16,574	267,368	186,053	469,995
Charge owned for the period	-	26,502	15,109	41,611
At 31 December 2016	16,574	293,870	201,162	511,606
Net book value				
At 31 December 2016	-	77,635	12,762	90,397
At 31 December 2015	-	90,137	27,872	118,009

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Plant and machinery	61,095	84,893
	<u>61,095</u>	<u>84,893</u>

6. Debtors

	2016 £	2015 £
Trade debtors	1,120,088	931,779
Amounts owed by group undertakings	701,925	1,146,901
Amounts owed by joint ventures and associated undertakings	-	20,218
Other debtors	15,397	15,234
Prepayments and accrued income	80,734	38,865

MANN & SON (LONDON) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Debtors (continued)

1,918,144	2,152,997
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7. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	328,441	277,710
Less: bank overdrafts	(24,691)	(400,411)
	303,750	(122,701)

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	24,691	400,411
Trade creditors	613,129	492,705
Amounts owed to group undertakings	936,354	1,148,269
Amounts owed to associates	340	196
Other taxation and social security	18,162	44,064
Obligations under finance lease and hire purchase contracts	14,716	29,869
Other creditors	5,116	-
Accruals and deferred income	242,525	151,371
	1,855,033	2,266,885

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	3,887	18,603
	<u>3,887</u>	<u>18,603</u>

Secured loans

Bank overdrafts are secured by a fixed and floating charge over the asset of the company and a cross guarantee from certain fellow subsidiaries. Amounts due under finance leases and hire purchases contracts are secured against the specific assets to which the relate.

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	14,716	29,869
Between 1-2 years	3,887	18,603
	<u>18,603</u>	<u>48,472</u>

11. Contingent liabilities

The company is party to a composite accounting system with its bankers whereby account is taken of the level of bank deposits when charging loan interest and under which the company guarantees the bank borrowings of certain group companies. As at the period end there was a net amount of £368,484 (£2015: 914,789) owed to the bank.

12. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	25,164	25,164
Later than 1 year and not later than 5 years	17,568	21,505
	<u>42,732</u>	<u>46,669</u>

MANN & SON (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. Related party transactions

As a wholly-owned subsidiary of BNX Holding Limited the company is exempt from the requirements of FRS102 to disclose transactions with other members of the group headed by BNX Holdings Limited. Traminco Limited is a related party by virtue of common control.

During the year Traminco Limited made charges for services provided amounting to £219,300 (2015: £219,300). Included within trade creditors is a balance of £21,930 (2015: £21,930). Included within other debtors at the year end is a balance of £9,216 (2015: £9,216) due from W A Binks, a director. There is no interest payable on the balance and the year end balance is the maximum amount outstanding in the year.

Included with the amounts owed by group undertakings at the year end is a balance of £20,218 (2014: £20,218) due from Mann Lines SIA. Mann Lines SIA is not wholly owned by the group. Mann Lines OU is not a wholly owned by the group.

During the year Mann & Son Limited made sales to Mann Lines OU of £850 (2015: £3,664) and purchases of £1,396 (2015: £539). Included within amounts owned to group undertakings at the year-end is a balance due of £340 (2015: £196).

During the year the company paid rent of £11,500 (2015: £11,500) to a trust connected to the directors.

14. Controlling party

The ultimate parent undertaking of this company is BNX Holding Limited which is registered in Jersey.

The company is included in the consolidated accounts of M-Ship Limited, the company's immediate parent undertaking and controlling related party under the definition set out in FRS 102 by virtue of its shareholding in the company. The accounts of M-Ship Limited are available from the Registrar of Companies (England & Wales).

The ultimate controlling related party based on the definition and requirements of FRS 102 is considered to be AWS Binks as a result of his shareholding, his beneficiary interests under a trust and position on the Board of Directors of the ultimate parent undertaking.