

Imorex Shipping Services Limited

Report and Financial Statements

Period Ended

31 December 2016

Company Number 01127998

MONDAY



L6L13SU6

LD5

11/12/2017

#64

COMPANIES HOUSE

Imorex Shipping Services Limited

Company Information

Directors	D K Ablitt C P J Day (appointed 12 August 2016) C J Kreidewolf (appointed 12 August 2016, resigned 4 August 2017) A J Nunn M W Berry (appointed 4 August 2017)
Company secretary	C J Kreidewolf (appointed 12 August 2016)
Registered number	01127998
Registered office	Dooley Road Block G Walton Avenue Felixstowe Suffolk IP11 3HG
Independent auditors	BDO LLP 16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ

Imorex Shipping Services Limited

Contents

	Page
Statement of financial position	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 12

Imorex Shipping Services Limited

Registered number:01127998

Statement of financial position As at 31 December 2016

	Note	31 December 2016 £	Unaudited 31 July 2016 £
Fixed assets			
Tangible assets	6	110,451	122,826
		<u>110,451</u>	<u>122,826</u>
Current assets			
Debtors: amounts falling due within one year	7	1,091,123	1,038,081
Bank and cash balances		67,559	37,629
		<u>1,158,682</u>	<u>1,075,710</u>
Creditors: amounts falling due within one year	8	(1,323,770)	(1,256,467)
Net current liabilities		<u>(165,088)</u>	<u>(180,757)</u>
Total assets less current liabilities		<u>(54,637)</u>	<u>(57,931)</u>
Creditors: amounts falling due after more than one year	9	(202,364)	(221,729)
Net liabilities		<u><u>(257,001)</u></u>	<u><u>(279,660)</u></u>

Imorex Shipping Services Limited
Registered number:01127998

Statement of financial position (continued)
As at 31 December 2016

	31 December 2016 £	31 July 2016 £
Note		
Capital and reserves		
Called up share capital	1,500	1,500
Capital redemption reserve	3,500	3,500
Profit and loss account	(262,001)	(284,660)
	<u>(257,001)</u>	<u>(279,660)</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

8 DECEMBER 2017


C P J Day
Director

The notes on pages 4 to 12 form part of these financial statements.

Imorex Shipping Services Limited

Statement of changes in equity For the period ended 31 December 2016

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 August 2016	1,500	3,500	(284,660)	(279,660)
Comprehensive income for the period				
Profit for the period	-	-	22,659	22,659
Total comprehensive income for the period	-	-	22,659	22,659
At 31 December 2016	1,500	3,500	(262,001)	(257,001)

Statement of changes in equity For the period ended 31 July 2016

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2015	2,100	2,900	94,043	99,043
Comprehensive income for the period				
Loss for the period	-	-	(298,703)	(298,703)
Total comprehensive income for the period	-	-	(298,703)	(298,703)
Dividends: Equity capital	-	-	(40,000)	(40,000)
Purchase of own shares	-	600	(40,000)	(39,400)
Shares cancelled during the period	(600)	-	-	(600)
At 31 July 2016	1,500	3,500	(284,660)	(279,660)

The notes on pages 4 to 12 form part of these financial statements.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

1. General information

Imorex Shipping Services Limited is a private company limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The date of transition to Section 1A of Financial Reporting Standard 102 was 1 August 2015. Information on the impact of first-time adoption of Section 1A of Financial Reporting Standard 102 is given in note 13.

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).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis despite net current liabilities of £165,088 (31 July 2016 - £180,757) and net liabilities of £257,001 (31 July 2016 - £279,660). In approving these financial statements, the directors note the financial support pledged by its parent company, Harrison C White Limited, to enable the company to continue to meet its liabilities as they fall due and confirm support for a period of at least 12 months from the date of signing.

2.3 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. 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.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

2. Accounting policies (continued)

2.4 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, based on the following methods.

Depreciation is provided on the following basis:

Leasehold Improvements	- Over 10 years, the period of the lease
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10% straight line
Computer 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 the Statement of comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 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.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Confidential invoice discounting

Where debts are invoice discounted, the separate presentation treatment has been adopted. In accordance with this, the gross amount of the debts is included within trade debtors with the advances received from invoice discounting being shown as a liability.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'sterling', which is the company's functional and presentational currency.

Transactions and balances

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

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

2.11 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.12 Operating leases: Lessee

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

2.13 Pensions

Contributions to the company's defined contribution pension scheme are charged to the Statement of Comprehensive Income in the year in which they become payable.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

2. Accounting policies (continued)

2.15 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 the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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.

2.16 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. 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 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 Statement of financial position 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.

2.17 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.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenue and expenses during the period. However, the nature of estimation actual outcomes differ from these estimates.

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Tangible fixed assets (see note 6)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Employees

The average monthly number of employees, including directors, during the period was 32 (2016 -34).

5. Exceptional administrative expenses

In the prior period, an amount of £271,746 was incurred in respect of dilapidations under the terms of an old lease.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

6. Tangible fixed assets

	Leasehold Improvements £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 August 2016	112,400	126,855	233,331	89,330	561,916
At 31 December 2016	112,400	126,855	233,331	89,330	561,916
Depreciation					
At 1 August 2016	89,608	119,265	144,624	85,593	439,090
Charge for the period	1,017	2,530	7,584	1,244	12,375
At 31 December 2016	90,625	121,795	152,208	86,837	451,465
Net book value					
At 31 December 2016	21,775	5,060	81,123	2,493	110,451
At 31 July 2016	22,792	7,590	88,706	3,738	122,826

7. Debtors

	31 December 2016 £	Unaudited 31 July 2016 £
Trade debtors	859,392	847,162
Amounts owed by group undertakings	80,000	-
Other debtors	32,814	36,263
Prepayments and accrued income	118,917	154,656
	1,091,123	1,038,081

An impairment loss of £6,993 was recognised in the Statement of Comprehensive Income in respect of bad and doubtful trade debtors (31 July 2016 - £Nil).

Included in trade debtors is £859,392 (31 July 2016 - £847,162) relating to amounts outstanding on a confidential invoice discounting agreement.

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

8. Creditors: Amounts falling due within one year

	31 December 2016 £	As restated Unaudited 31 July 2016 £
Bank overdrafts	380,032	167,761
Trade creditors	640,045	796,076
Amounts owed to group undertakings	7,550	-
Other taxation and social security	48,717	59,058
Other creditors	167,417	182,850
Accruals and deferred income	80,009	50,722
	<u>1,323,770</u>	<u>1,256,467</u>

A balance of £50,722 has been reclassified in the prior year from trade creditors to accruals. This adjustment has no effect on shareholders' funds or profit for the year.

Bank overdrafts includes £380,032 (31 July 2016 - £158,233) in respect of advance payments received for trade debtors under a confidential invoice discounting agreement.

Debt is further secured by a debenture over the assets of the company.

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

	31 December 2016 £	Unaudited 31 July 2016 £
Bank loans	-	4,332
Other creditors	202,364	217,397
	<u>202,364</u>	<u>221,729</u>

Imorex Shipping Services Limited

Notes to the financial statements For the period ended 31 December 2016

10. Commitments under operating leases

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

	31 December 2016 £	Restated 31 July 2016 £
Not later than 1 year	265,508	226,257
Later than 1 year and not later than 5 years	661,568	618,750
	<u>927,076</u>	<u>845,007</u>

11. Related party transactions

As at 31 December 2016, the company owed £229 (31 July 2016 - £229) to a director. The company paid dividends of £Nil to a director during the period (31 July 2016 - £40,000).

On 26 November 2015, the company purchased 600 of its own Ordinary £1 shares for consideration of £40,000.

12. Controlling party

On 12 August 2016, 100% of the company's share capital was acquired by Harrison C White Limited which was therefore the company's ultimate parent company as at 31 December 2016. Harrison C White Limited is the parent of the smallest and largest group of which the company is a member.

C P J Day is deemed the ultimate controlling party of the company by virtue of his majority shareholding in the parent company.

13. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

14. Auditors' information

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's directors on 8 December 2017. The auditor's report was signed by Timothy Taylor as senior statutory auditor and was unqualified. Auditors' remuneration for the period was £7,000 (period ended 31 July 2016 - £Nil).