

# **Imorex Shipping Services Limited**

Financial Statements

Period Ended

5 July 2019

Company Number 01127998



# Imorex Shipping Services Limited

## Company Information

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<b>Directors</b>	J R Dolan G A Connor
<b>Registered number</b>	01127998
<b>Registered office</b>	Dooley Road Block G Walton Avenue Felixstowe Suffolk IP11 3HG
<b>Independent auditor</b>	BDO LLP 16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ

# **Imorex Shipping Services Limited**

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# **Imorex Shipping Services Limited**

## **Directors' Responsibilities Statement For the Period Ended 5 July 2019**

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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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Imorex Shipping Services Limited

Registered number:01127998

## Statement of Financial Position As at 5 July 2019

	Note	5 July 2019 £	5 July 2019 £	30 June 2018 £	30 June 2018 £
<b>Fixed assets</b>					
Tangible assets	7		42,075		83,743
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	897,559		1,465,770	
Cash at bank and in hand		19,661		324,757	
		<u>917,220</u>		<u>1,790,527</u>	
Creditors: amounts falling due within one year	9	(1,344,797)		(2,323,887)	
<b>Net current liabilities</b>			(427,577)		(533,360)
<b>Total assets less current liabilities</b>			<u>(385,502)</u>		<u>(449,617)</u>
Creditors: amounts falling due after more than one year	10		-		(28,909)
<b>Net liabilities</b>			<u>(385,502)</u>		<u>(478,526)</u>
<b>Capital and reserves</b>					
Called up share capital	11		1,500		1,500
Capital redemption reserve	12		3,500		3,500
Profit and loss account	12		(390,502)		(483,526)
			<u>(385,502)</u>		<u>(478,526)</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



J R Dolan  
Director

16 October 2019

The notes on pages 4 to 13 form part of these financial statements.

# Imorex Shipping Services Limited

## Statement of Changes in Equity For the Period Ended 5 July 2019

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2018	1,500	3,500	(483,526)	(478,526)
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	93,024	93,024
<b>Total comprehensive loss for the period</b>	-	-	93,024	93,024
<b>At 5 July 2019</b>	<b>1,500</b>	<b>3,500</b>	<b>(390,502)</b>	<b>(385,502)</b>

## Statement of Changes in Equity For the Period Ended 30 June 2018

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	1,500	3,500	(262,001)	(257,001)
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(221,525)	(221,525)
<b>Total comprehensive income for the period</b>	-	-	(221,525)	(221,525)
<b>At 30 June 2018</b>	<b>1,500</b>	<b>3,500</b>	<b>(483,526)</b>	<b>(478,526)</b>

The notes on pages 4 to 13 form part of these financial statements.

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

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### 1. General information

Imorex Shipping Services Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

### 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 preparation of financial statements in compliance with Section 1A of 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 presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

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 £427,577 (18 month period ended 30 June 2018 - £533,360) and net liabilities of £385,502 (18 month period ended 30 June 2018 - £478,526).

On 4 July 2019 the company changed ownership, as a result the directors are reviewing the financing and facilities for the company. In reaching their conclusion that the company is a going concern, they have considered the facilities in conjunction with internal projections and are satisfied that the company is profitable going forwards.

#### 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 5 July 2019

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### 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
Plant and machinery	- xx xxxx
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 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 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 the 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.



# **Imorex Shipping Services Limited**

## **Notes to the Financial Statements For the Period Ended 5 July 2019**

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### **2. Accounting policies (continued)**

#### **2.6 Financial instruments (continued)**

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.

#### **2.7 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.

#### **2.8 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.

#### **2.9 Foreign currency translation**

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.

#### **2.10 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.

#### **2.11 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.

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

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### 2. Accounting policies (continued)

#### 2.12 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.

#### 2.13 Current and deferred 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 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.

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

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

In preparing these financial statements, the members have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating 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.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 7)

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 a 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. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	Period ended 5 July 2019 £	18 month period ended 30 June 2018 £
Depreciation of tangible fixed assets	74,292	56,648
Exchange differences	6,166	(1,994)
Other operating lease rentals	10,580	-
Defined contribution pension cost	14,160	20,669
Exceptional administrative income	(276,151)	-

#### Exceptional administrative income -

During the course of the year the previous parent company has entered liquidation and as a result a payment plan has been agreed on final amounts owed by Imorex Shipping Services Limited. The amounts agreed as no longer payable have been released to the profit and loss account in the period.

### 5. Employees

The average monthly number of employees, including directors, during the period was 32 (18 month period ended 30 June 2018 - 35).

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

### 6. Taxation

	Period ended 5 July 2019 £	18 month period ended 30 June 2018 £
<b>Corporation tax</b>		
Current tax on profit/(loss) for the year	-	-
<b>Taxation on profit/(loss) on ordinary activities</b>	-	-

#### Factors that may affect future tax charges

The tax assessed for the period is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19.00% (18 month period ended 30 June 2018 - 19.16%). The differences are explained below:

	Period ended 5 July 2019 £	18 month period ended 30 June 2018 £
Profit/(loss) on ordinary activities before tax	93,024	(221,525)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (18 month period ended 30 June 2018 - 19.6%)	17,675	(42,455)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	105	138
Non-taxable income	(52,469)	(17,781)
Other differences leading to an increase in the tax charge	1,241	3,103
Adjust opening and closing deferred tax to average rate	3,521	6,439
Deferred tax not recognised	29,927	50,556
<b>Total tax charge for the period</b>	-	-

#### Factors that may affect future tax charges

Reductions in the UK Corporation tax rate from 20% to 17% (19% effective from 1 April 2017 and 17% effective from 1 April 2020) have been substantively enacted. This will impact the company's future tax charge accordingly.

## Imorex Shipping Services Limited

### Notes to the Financial Statements For the Period Ended 5 July 2019

#### 7. Tangible fixed assets

	Leasehold Improvements £	Motor vehicles £	Fixtures and fittings £	Plant and Machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 July 2018	112,400	113,605	235,016	905	106,385	568,311
Additions	-	3,000	26,773	-	2,851	32,624
At 5 July 2019	112,400	116,605	261,789	905	109,236	600,935
<b>Depreciation</b>						
At 1 July 2018	94,288	108,293	178,849	157	102,981	484,568
Charge for the period	2,035	4,563	62,757	-	4,937	74,292
At 5 July 2019	96,323	112,856	241,606	157	107,918	558,860
<b>Net book value</b>						
At 5 July 2019	16,077	3,749	20,183	748	1,318	42,075
At 30 June 2018	18,112	5,312	56,167	748	3,404	83,743

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

### 8. Debtors: amounts falling due within one year

	5 July 2019 £	30 June 2018 £
Trade debtors	509,321	1,182,678
Amounts owed by group undertakings	104,788	55,319
Prepayments and accrued income	283,450	227,773
	<u>897,559</u>	<u>1,465,770</u>

An impairment loss of £45,257 (18 month period ended 30 June 2018 - £14,034) was recognised in the statement of comprehensive income in respect of bad and doubtful trade debtors.

Included in trade debtors is £422,270 (18 month period ended 30 June 2018 - £1,194,495) relating to amounts outstanding on a confidential invoice discounting agreement.

### 9. Creditors: amounts falling due within one year

	5 July 2019 £	30 June 2018 £
Bank overdrafts	284,848	882,680
Trade creditors	790,258	966,427
Amounts owed to group undertakings	30,000	-
Other taxation and social security	74,073	128,014
Other creditors	102,305	75,556
Accruals and deferred income	63,313	271,210
	<u>1,344,797</u>	<u>2,323,887</u>

Bank overdrafts includes £278,946 (18 month period ended 30 June 2018 - £864,410) 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.

### 10. Creditors: amounts falling due after more than one year

	5 July 2019 £	30 June 2018 £
Other creditors	-	28,909
	<u>-</u>	<u>28,909</u>

Other creditors includes amounts payable of £Nil (18 month period ended 30 June 2018 - £5,782) plus VAT per month, per a deed of variation. There is no interest payable on the outstanding balance.

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

### 11. Share capital

	5 July 2019 £	30 June 2018 £
<b>Allotted, called up and fully paid</b>		
1,500 ordinary shares shares of £1 each	<u>1,500</u>	<u>1,500</u>

### 12. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### 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

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

### 13. 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 £14,160 (18 month period ended 30 June 2018 - £20,669). Contributions totalling £908 (18 month period ended 30 June 2018 - £6,175) were repayable to the fund at the reporting date and are included in creditors.

### 14. Commitments under operating leases

At 5 July 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	5 July 2019 £	30 June 2018 £
Not later than 1 year	422,032	450,914
Later than 1 year and not later than 5 years	1,009,200	1,445,467
Later than 5 years	318,750	655,432
	<u>1,749,982</u>	<u>2,551,813</u>

# Imorex Shipping Services Limited

## Notes to the Financial Statements For the Period Ended 5 July 2019

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### 15. Ultimate parent undertaking and controlling party

Up to 4 July 2019, the company's ultimate parent company was Harrison C White Limited which is the parent of the smallest and largest group of which the company is a member.

On 4 July 2019, 100% of the company's share capital was acquired by J Dolan, from Harrison C White Limited. J Dolan is deemed the ultimate controlling party of the company by virtue of his shareholding.

### 16. Auditor's information

The auditor's report on the financial statements for the period ended 5 July 2019 was a disclaimer of opinion.

The disclaimer of opinion was as follows:

The Company's previous parent company entered into liquidation during the period under audit and as a result the Company was acquired by new shareholders. The directors have concluded that it is in the best interest of the Company and its shareholders to file these financial statements as the directors do not have access to full accounting records and have limited knowledge of transactions that occurred prior to the acquisition therefore it is not possible to complete the audit.

As a result of the limitation placed upon the scope of our work by the directors and as a result of changes to the finance team following the Company's parent company entering into liquidation there are a number of areas for which sufficient appropriate audit evidence has not been obtained.

The audit report was signed on  
Auditor) on behalf of BDO LLP.

16/10/19

by Keith Ferguson (Senior Statutory