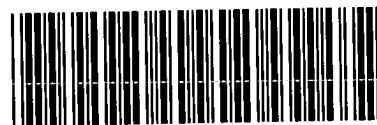


**Group Strategic Report,  
Report of the Director and  
Consolidated Financial Statements  
for the Period  
1 January 2018 to 29 December 2018  
for  
AS International Corporation Limited**

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**AS International Corporation Limited**

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for the Period 1 January 2018 to 29 December 2018**

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**AS International Corporation Limited**

**Company Information**  
**for the Period 1 January 2018 to 29 December 2018**

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**DIRECTOR:** G A Stewart

**SECRETARY:** Ms C Shirley

**REGISTERED OFFICE:** Oriel House  
2 - 8 Oriel Road  
Bootle  
Merseyside  
L20 7EP

**BUSINESS ADDRESS:** 2B Sefton Business Park  
Netherton  
Liverpool  
Merseyside  
L30 1RD

**REGISTERED NUMBER:** 01251950 (England and Wales)

**AUDITORS:** SB&P  
Chartered Accountants & Statutory Auditors  
Oriel House  
2-8 Oriel Road  
Bootle  
Liverpool  
Merseyside  
L20 7EP

**Group Strategic Report  
for the Period 1 January 2018 to 29 December 2018**

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The director presents his strategic report of the company and the group for the period 1 January 2018 to 29 December 2018.

**REVIEW OF BUSINESS**

The results for the year and the financial position of the company are shown in the annexed financial statements.

The company has continued to enjoy a period of growth in turnover, foreign currency trends in particular the US Dollar have been favourable which has increased gross profit margins through reduced costs.

Overheads have once again been well controlled with minimal increases consistent with the prior year. Key movements have been in foreign exchange gains and losses, with a large loss last year being partially offset with a large gain this year, and in payroll costs as we have once more increased our staff numbers.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Foreign Exchange: - As the company trades internationally with a large number of countries, we are exposed to movements in foreign exchange variances. The key currencies that we trade in are Sterling, Dollars and Euros. We mitigate the risk of foreign exchange losses by holding funds in these key currencies to hedge any gains and losses.

Brexit: - As previously noted the company trades internationally and therefore a 'hard Brexit' could ultimately have a minor impact on the overseas markets, particularly those within the EU. The company has strategic partnerships with affiliates around the world and a diverse range of international customers which mitigates the potential risks of a 'hard Brexit'.

Covid-19: - The company continues working hard in maintaining its high-quality standards and internationally recognized levels of services, for both world-wide Inspections and Analysis. Most of our customer services and administration are working remote and by following Government Guidelines, all necessary protective measures continue to be taken to ensure the well-being of all of our staff, for the effective coordination of our Inspection and Analysis Services on behalf of our clients. Inspection services in China are very close to full operational levels and our Inspections Team are able to co-ordinate any new nominations for the Chinese, Asia Pacific and most other global strategic locations for Commodity Inspections and also Analysis.

We continue to monitor and inform our customers of new developments at all ports and countries where we operate.

Litigation: - The company operates in many countries, each with their own laws and regulations. Therefore, the company is exposed to a higher risk of litigation. This is mitigated by having affiliate companies around the world, with local partners to ensure all relevant laws and regulations are complied with.

**FINANCIAL KEY PERFORMANCE INDICATORS**

Turnover has increased by 16.38% from £5,396,231 to £6,280,246

Gross Profit has increased by 11.00% from £6,941,279 to £7,705,093

Net Profit has increased from by 34.84% from £972,211 to £1,310,939

**FUTURE DEVELOPMENTS**

The director intends to continue to build on the company's strong performance and continue the growth in turnover while maintaining profit margins.

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**NON-FINANCIAL KEY PERFORMANCE INDICATORS**

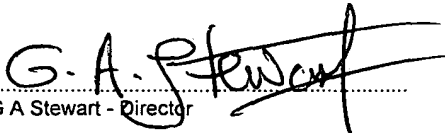
Compliance

It was a highly successful year in terms of industry recognition, the Company was made an approved Assayer by the CME and also accredited for Inspections and Analysis by ASCB to ISO 17020, by ISOQAR to ISO 9001 whilst maintaining its UKAS Laboratory Testing Accreditation to ISO 17025.

The company established a set of Risk Management principles that have emanated from the Senior Executives and Business Managers adopting a strict approach in recognising and acting on any risks that may adversely affect the realisation of the organisation's business objectives. These risks may be of a diverse nature (Technological, Commercial, Financial, Information and Security risks) and they are managed and suitably controlled such that our organization remains capable of continually delivering a high-level service to its clients.

Safety is also one of the company's key priorities. We understand the importance of a Safety Culture in its relationships with its key stakeholders and is committed to providing a safe place of work for all of its employees across all of its business sectors. The company has implemented a full Health and Safety Policy that is based around OHSAS 18001 and is committed to fully comply with the HASAWA 1974 and its Approved Codes of Practice.

ON BEHALF OF THE BOARD:

  
G A Stewart - Director

Date: 9-4-2020

**Report of the Director  
for the Period 1 January 2018 to 29 December 2018**

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The director presents his report with the financial statements of the company and the group for the period 1 January 2018 to 29 December 2018.

**DIVIDENDS**

An interim dividend of £8.51063 per share was paid on the Ordinary A £1 shares on 3 April 2018. No dividends were paid on any other classes of shares.

The total distribution of dividends for the year ended 29 December 2018 will be £100,000.

**DIRECTORS**

G A Stewart has held office during the whole of the period from 1 January 2018 to the date of this report.

Other changes in directors holding office are as follows:

K A Stewart (Deceased) - deceased 26 March 2018

**DISCLOSURE IN THE STRATEGIC REPORT**

Items required under Schedule 7 to be disclosed in the Report of the Director can be found in the Strategic Report in accordance with Section 414C(11) of the Companies Act 2006.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

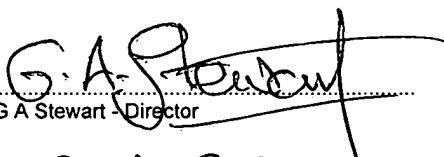
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, SB&P, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
G A Stewart - Director

Date: 9-4-2020

**Opinion**

We have audited the financial statements of AS International Corporation Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 29 December 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 29 December 2018 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group'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.

**Other information**

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

**Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is responsible for assessing the group's and the parent 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 director either intends to liquidate the group or the parent company or to cease operations, or has 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 a Report of the Auditors 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 Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.



Suzanne Draper FCCA ACA (Senior Statutory Auditor)  
for and on behalf of SB&P  
Chartered Accountants & Statutory Auditors  
Oriel House  
2-8 Oriel Road  
Bootle  
Liverpool  
Merseyside  
L20 7EP

Date: 9/4/20



AS International Corporation Limited

Consolidated Income Statement  
for the Period 1 January 2018 to 29 December 2018

		Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
	Notes		
<b>TURNOVER</b>	3	<b>13,537,071</b>	<b>12,337,510</b>
Cost of sales		<u>7,268,888</u>	<u>6,941,279</u>
<b>GROSS PROFIT</b>		<b>6,268,183</b>	<b>5,396,231</b>
Administrative expenses		<u>4,702,227</u>	<u>3,867,581</u>
		<b>1,565,956</b>	<b>1,528,650</b>
Other operating income		<u>143,868</u>	<u>(257,347)</u>
<b>OPERATING PROFIT</b>	5	<b>1,709,824</b>	<b>1,271,303</b>
Interest receivable and similar income		<u>5,015</u>	<u>898</u>
		<b>1,714,839</b>	<b>1,272,201</b>
Interest payable and similar expenses	6	<u>4,271</u>	<u>14,490</u>
<b>PROFIT BEFORE TAXATION</b>		<b>1,710,568</b>	<b>1,257,711</b>
Tax on profit	7	<u>399,629</u>	<u>285,500</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>1,310,939</b>	<b>972,211</b>
Profit attributable to:			
Owners of the parent		<u>1,384,793</u>	<u>1,022,191</u>
Non-controlling interests		<u>(73,854)</u>	<u>(49,980)</u>
		<b>1,310,939</b>	<b>972,211</b>

The notes form part of these financial statements

AS International Corporation Limited

Consolidated Other Comprehensive Income  
for the Period 1 January 2018 to 29 December 2018

	Period 1.1.18 to 29.12.18	Period 1.1.17 to 30.12.17 as restated
Notes	£	£
<b>PROFIT FOR THE PERIOD</b>	<b>1,310,939</b>	<b>972,211</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Foreign exchange opening translation	964	(6,091)
Income tax relating to other comprehensive income	-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX</b>	<b>964</b>	<b>(6,091)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,311,903</b>	
Prior year adjustment		(252,524)
<b>TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT</b>		<b>713,596</b>
Total comprehensive income attributable to:		
Owners of the parent	1,385,757	763,576
Non-controlling interests	(73,854)	(49,980)
	<b>1,311,903</b>	<b>713,596</b>

The notes form part of these financial statements

Consolidated Balance Sheet  
29 December 2018

		29.12.18		30.12.17 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	11		1,409,881		997,322
Investments	12		-		-
			<u>1,409,881</u>		<u>997,322</u>
<b>CURRENT ASSETS</b>					
Debtors	13	3,501,479		3,167,747	
Cash at bank		<u>4,226,065</u>		<u>3,020,255</u>	
		7,727,544		6,188,002	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>2,533,845</u>		<u>1,734,545</u>	
<b>NET CURRENT ASSETS</b>			<u>5,193,699</u>		<u>4,453,457</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,603,580		5,450,779
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(6,279)		(42,305)
<b>PROVISIONS FOR LIABILITIES</b>	18		(91,805)		(60,012)
<b>PENSION LIABILITY</b>	21		-		(54,869)
<b>NET ASSETS</b>			<u>6,505,496</u>		<u>5,293,593</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		25,000		25,000
Retained earnings	20		<u>6,486,578</u>		<u>5,200,821</u>
<b>SHAREHOLDERS' FUNDS</b>			6,511,578		5,225,821
<b>NON-CONTROLLING INTERESTS</b>			(6,082)		67,772
<b>TOTAL EQUITY</b>			<u>6,505,496</u>		<u>5,293,593</u>

The financial statements were approved by the director on 9-4-2020 and were signed by:

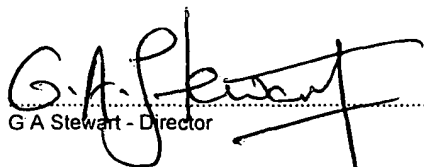
  
G A Stewart - Director

The notes form part of these financial statements

Company Balance Sheet  
29 December 2018

		29.12.18		30.12.17 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	11		1,302,747		888,058
Investments	12		145,125		145,125
			<u>1,447,872</u>		<u>1,033,183</u>
<b>CURRENT ASSETS</b>					
Debtors	13	3,426,901		3,097,027	
Cash at bank		<u>4,177,590</u>		<u>2,935,578</u>	
		7,604,491		6,032,605	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>2,294,970</u>		<u>1,675,189</u>	
<b>NET CURRENT ASSETS</b>			<u>5,309,521</u>		<u>4,357,416</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>6,757,393</u>		<u>5,390,599</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(6,279)		(42,305)
<b>PROVISIONS FOR LIABILITIES</b>	18		<u>(91,805)</u>		<u>(60,012)</u>
<b>NET ASSETS</b>			<u>6,659,309</u>		<u>5,288,282</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		25,000		25,000
Retained earnings	20		<u>6,634,309</u>		<u>5,263,282</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>6,659,309</u>		<u>5,288,282</u>
<b>Company's profit for the financial year</b>			<u>1,471,027</u>		<u>1,067,293</u>

The financial statements were approved by the director on 9-4-2020 and were signed by:

  
G A Stewart - Director

The notes form part of these financial statements

AS International Corporation Limited

Consolidated Statement of Changes in Equity  
for the Period 1 January 2018 to 29 December 2018

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2017	25,000	4,597,385	4,622,385	117,752	4,740,137
Prior year adjustment	-	(252,524)	(252,524)	-	(252,524)
As restated	25,000	4,344,861	4,369,861	117,752	4,487,613
Changes in equity					
Dividends	-	(150,000)	(150,000)	-	(150,000)
Total comprehensive income	-	1,005,960	1,005,960	(49,980)	955,980
Balance at 30 December 2017	25,000	5,200,821	5,225,821	67,772	5,293,593
Changes in equity					
Dividends	-	(100,000)	(100,000)	-	(100,000)
Total comprehensive income	-	1,385,757	1,385,757	(73,854)	1,311,903
Balance at 29 December 2018	25,000	6,486,578	6,511,578	(6,082)	6,505,496

The notes form part of these financial statements

**AS International Corporation Limited**

**Company Statement of Changes in Equity  
for the Period 1 January 2018 to 29 December 2018**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2017</b>	25,000	4,598,513	4,623,513
Prior year adjustment	-	(252,524)	(252,524)
<b>As restated</b>	<u>25,000</u>	<u>4,345,989</u>	<u>4,370,989</u>
<b>Changes in equity</b>			
Dividends	-	(150,000)	(150,000)
Total comprehensive income	-	1,067,293	1,067,293
<b>Balance at 30 December 2017</b>	<u>25,000</u>	<u>5,263,282</u>	<u>5,288,282</u>
<b>Changes in equity</b>			
Dividends	-	(100,000)	(100,000)
Total comprehensive income	-	1,471,027	1,471,027
<b>Balance at 29 December 2018</b>	<u>25,000</u>	<u>6,634,309</u>	<u>6,659,309</u>

The notes form part of these financial statements

**AS International Corporation Limited**

**Consolidated Cash Flow Statement  
for the Period 1 January 2018 to 29 December 2018**

		Period 1.1.18 to 29.12.18  £	Period 1.1.17 to 30.12.17 as restated £
	Notes		
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,243,004	1,692,365
Interest paid		(10)	(8,259)
Interest element of hire purchase payments paid		(4,261)	(6,231)
Tax paid		(300,312)	(638,878)
<b>Net cash from operating activities</b>		<b>1,938,421</b>	<b>1,038,997</b>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(586,663)	(68,315)
Sale of tangible fixed assets		1,400	-
Interest received		5,015	898
<b>Net cash from investing activities</b>		<b>(580,248)</b>	<b>(67,417)</b>
 <b>Cash flows from financing activities</b>			
Capital repayments in year		(33,591)	(25,287)
Amount introduced by directors		-	113,028
Amount withdrawn by directors		(118,772)	(170,299)
Equity dividends paid		-	(150,000)
<b>Net cash from financing activities</b>		<b>(152,363)</b>	<b>(232,558)</b>
 <b>Increase in cash and cash equivalents</b>		<b>1,205,810</b>	<b>739,022</b>
<b>Cash and cash equivalents at beginning of period</b>	2	<b>3,020,255</b>	<b>2,281,233</b>
 <b>Cash and cash equivalents at end of period</b>	2	<b>4,226,065</b>	<b>3,020,255</b>

The notes form part of these financial statements

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Profit before taxation	1,710,568	1,257,711
Depreciation charges	174,435	165,055
Profit on disposal of fixed assets	(328)	-
Defined benefit pension service costs	-	23,822
Consolidation foreign exchange adj	(437)	(1,728)
Finance costs	4,271	14,490
Finance income	(5,015)	(898)
	<u>1,883,494</u>	<u>1,458,452</u>
(Increase)/decrease in trade and other debtors	(323,642)	341,198
Increase/(decrease) in trade and other creditors	<u>683,152</u>	<u>(107,285)</u>
Cash generated from operations	<u><u>2,243,004</u></u>	<u><u>1,692,365</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 29 December 2018

	29.12.18 £	1.1.18 £
Cash and cash equivalents:	<u><u>4,226,065</u></u>	<u><u>3,020,255</u></u>

Period ended 30 December 2017

	30.12.17 as restated £	1.1.17 £
Cash and cash equivalents	<u><u>3,020,255</u></u>	<u><u>2,281,233</u></u>

The notes form part of these financial statements



1. **STATUTORY INFORMATION**

AS International Corporation Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents the fair value of services provided under contracts with customers to the extent that there is a right to consideration. It is measured at a fair value of the consideration due. When a service is incomplete at the year end, turnover represents the value of the service provided to that date based on an appropriate proportion of the total expected consideration at completion.

Invoices are not raised until a contract is complete so the value of incomplete services is included as Amounts recoverable on contracts in the balance sheet.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**2. ACCOUNTING POLICIES - continued****Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The parent company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

A subsidiary company within the group operated a defined benefit plan for the benefit of its employees. A liability for the company's obligations under the plan was recognised net of plan assets. The net change in the net defined benefit liability was recognised as the cost of the defined benefit plan during the period. Pension plan assets were measured at fair value and the defined benefit obligation was measured on an actuarial basis using the projected unit method.

The defined benefit scheme was closed during the current period and the defined benefit obligation at the date of closure was settled by way of a transfer into a defined contribution scheme.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Rendering of services	13,537,071	12,337,510
	<u>13,537,071</u>	<u>12,337,510</u>

**4. EMPLOYEES AND DIRECTORS**

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Wages and salaries	2,280,256	2,060,276
Social security costs	173,675	176,643
Other pension costs	30,253	47,375
	<u>2,484,184</u>	<u>2,284,294</u>

## 4. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the period was as follows:

	Period 1.1.18 to 29.12.18	Period 1.1.17 to 30.12.17 as restated
Directors	1	2
Employees	72	65
	<u>73</u>	<u>67</u>

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Directors' remuneration	<u>172,808</u>	<u>231,989</u>

## 5. OPERATING PROFIT

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

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Other operating leases	111,686	100,781
Depreciation - owned assets	159,561	146,463
Depreciation - assets on hire purchase contracts	14,873	18,592
Profit on disposal of fixed assets	(328)	-
Auditors' remuneration	26,900	9,000
Foreign exchange differences	<u>(137,363)</u>	<u>257,347</u>

## 6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Bank interest	10	4,009
Interest on overdue taxation	-	4,250
Hire purchase	<u>4,261</u>	<u>6,231</u>
	<u>4,271</u>	<u>14,490</u>

**7. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Current tax:		
UK corporation tax	352,718	284,290
Underprovision prior year	15,118	351
Total current tax	367,836	284,641
Deferred tax	31,793	859
Tax on profit	399,629	285,500

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Profit before tax	1,710,568	1,257,711
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.247%)	325,008	242,072
Effects of:		
Expenses not deductible for tax purposes	15,805	9,875
Capital allowances in excess of depreciation	(18,636)	-
Depreciation in excess of capital allowances	-	11,948
Adjustments to tax charge in respect of previous periods	15,118	-
Deferred taxation	31,793	859
Foreign tax adjustments	-	12,720
Leased expensive cars	124	136
Loss in year of member	30,417	7,890
Total tax charge	399,629	285,500

**Tax effects relating to effects of other comprehensive income**

	1.1.18 to 29.12.18	
	Gross £	Net £
Foreign exchange opening translation	964	964

Notes to the Consolidated Financial Statements - continued  
for the Period 1 January 2018 to 29 December 2018

## 7. TAXATION - continued

	1.1.17 to 30.12.17	
	Gross £	Tax £
Foreign exchange opening translation	(6,091)	-
Actuarial loss defined benefit scheme	(10,140)	-
	<u>(16,231)</u>	<u>-</u>
		<u>(16,231)</u>

## 8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

## 9. DIVIDENDS

	Period 1.1.18 to 29.12.18 £	Period 1.1.17 to 30.12.17 as restated £
Ordinary A shares of £1 each Interim	100,000	-
Ordinary B shares of £1 each Interim	-	150,000
	<u>100,000</u>	<u>150,000</u>

## 10. PRIOR YEAR ADJUSTMENT

In the comparative period the company ceased to be a small company under the provisions of Section 477 of the Companies Act 2006, the company was required to have its financial statements audited. Following the audit of the companies opening balances prior year adjustments were required. The effect of these on the financial statements was a reduction to accumulated reserves and a subsequent reduction in current net assets. The effect on the financial statements is detailed below:

Summary of prior year adjustment accounting impact	£
Increase in fixed assets	145,122
Decrease in current assets	(374,379)
Decrease in current liabilities	52,629
Increase in non-current liabilities	(75,896)
Prior year adjustment	<u>(252,524)</u>

## 11. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2018	746,009	1,156,966	11,578	173,133	2,087,686
Additions	186,288	348,723	4,928	46,725	586,664
Disposals	-	(1,400)	-	-	(1,400)
Exchange differences	1,369	41	-	-	1,410
At 29 December 2018	933,666	1,504,330	16,506	219,858	2,674,360
<b>DEPRECIATION</b>					
At 1 January 2018	287,175	717,257	6,324	79,608	1,090,364
Charge for period	46,357	101,962	1,667	24,448	174,434
Eliminated on disposal	-	(328)	-	-	(328)
Exchange differences	-	9	-	-	9
At 29 December 2018	333,532	818,900	7,991	104,056	1,264,479
<b>NET BOOK VALUE</b>					
At 29 December 2018	600,134	685,430	8,515	115,802	1,409,881
At 31 December 2017	458,834	439,709	5,254	93,525	997,322

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 January 2018 and 29 December 2018	99,427
<b>DEPRECIATION</b>	
At 1 January 2018	25,062
Charge for period	14,873
At 29 December 2018	39,935
<b>NET BOOK VALUE</b>	
At 29 December 2018	59,492
At 31 December 2017	74,365

## 11. TANGIBLE FIXED ASSETS - continued

Company	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2018	639,298	1,153,778	11,578	173,133	1,977,787
Additions	186,288	348,723	4,928	46,725	586,664
Disposals	-	(1,400)	-	-	(1,400)
At 29 December 2018	825,586	1,501,101	16,506	219,858	2,563,051
<b>DEPRECIATION</b>					
At 1 January 2018	287,175	716,622	6,324	79,608	1,089,729
Charge for period	43,221	101,567	1,667	24,448	170,903
Eliminated on disposal	-	(328)	-	-	(328)
At 29 December 2018	330,396	817,861	7,991	104,056	1,260,304
<b>NET BOOK VALUE</b>					
At 29 December 2018	495,190	683,240	8,515	115,802	1,302,747
At 31 December 2017	352,123	437,156	5,254	93,525	888,058

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 January 2018 and 29 December 2018	99,427
<b>DEPRECIATION</b>	
At 1 January 2018	25,062
Charge for period	14,873
At 29 December 2018	39,935
<b>NET BOOK VALUE</b>	
At 29 December 2018	59,492
At 31 December 2017	74,365

## 12. FIXED ASSET INVESTMENTS

## Company

	Shares in group undertaking £
<b>COST</b>	
At 1 January 2018 and 29 December 2018	<u>145,125</u>
<b>NET BOOK VALUE</b>	
At 29 December 2018	<u>145,125</u>
At 31 December 2017	<u>145,125</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

## Subsidiaries

## Alex Stewart International Korea Limited

Registered office: 6001 Phoenix building, 323 Teheran-ro, Gangnam-gu, Seoul, 06151 Republic of Korea  
Nature of business: Inspectors and analysers of commodities

	% holding	29.12.18	31.12.17
Class of shares:		£	£
Ordinary	51.00	(35,239)	88,274
Aggregate capital and reserves		<u>(113,714)</u>	<u>(54,092)</u>
Loss for the year			

## Stewart Surveyors and Assayers Inc.

Registered office: RM1405, 14F Keppel Ctr, Samar Loop-C Rosales Cebu Business Park, Cebu, Philippines  
Nature of business: Inspectors and analysers of commodities

	% holding	29.12.18	31.12.17
Class of shares:		£	£
Ordinary	60.00	26,551	72,299
Aggregate capital and reserves		<u>(46,344)</u>	<u>(40,991)</u>
Loss for the year			

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	29.12.18	30.12.17 as restated	29.12.18	30.12.17 as restated
	£	£	£	£
Trade debtors	2,350,597	2,089,431	2,350,636	2,088,268
Amounts recoverable on contract	586,253	383,967	586,253	383,967
Other debtors	388,435	424,664	319,117	360,131
Directors' current accounts	3,282	99,139	3,282	99,139
Tax	2,409	2,097	-	-
VAT	58,432	61,813	55,542	58,886
Prepayments	112,071	106,636	112,071	106,636
	<u>3,501,479</u>	<u>3,167,747</u>	<u>3,426,901</u>	<u>3,097,027</u>



## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	29.12.18	30.12.17 as restated	29.12.18	30.12.17 as restated
	£	£	£	£
Hire purchase contracts (see note 16)	36,027	33,591	36,027	33,591
Trade creditors	1,631,096	1,091,345	1,632,564	1,195,688
Tax	160,753	92,918	160,753	92,918
Social security and other taxes	63,327	69,616	63,327	69,616
Other creditors	315,093	166,017	117,973	19,608
Directors' current accounts	-	114,629	-	114,629
Accruals and deferred income	327,549	166,429	284,326	149,139
	<u>2,533,845</u>	<u>1,734,545</u>	<u>2,294,970</u>	<u>1,675,189</u>

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	29.12.18	30.12.17 as restated	29.12.18	30.12.17 as restated
	£	£	£	£
Hire purchase contracts (see note 16)	<u>6,279</u>	<u>42,305</u>	<u>6,279</u>	<u>42,305</u>

## 16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

## Group

	Hire purchase contracts	
	29.12.18	30.12.17 as restated
	£	£
Gross obligations repayable:		
Within one year	37,852	37,852
Between one and five years	6,334	44,186
	<u>44,186</u>	<u>82,038</u>
Finance charges repayable:		
Within one year	1,825	4,261
Between one and five years	55	1,881
	<u>1,880</u>	<u>6,142</u>
Net obligations repayable:		
Within one year	36,027	33,591
Between one and five years	6,279	42,305
	<u>42,306</u>	<u>75,896</u>

## 16. LEASING AGREEMENTS - continued

## Company

	Hire purchase contracts 29.12.18	30.12.17 as restated
	£	£
Gross obligations repayable:		
Within one year	37,852	37,852
Between one and five years	6,334	44,186
	<u>44,186</u>	<u>82,038</u>
Finance charges repayable:		
Within one year	1,825	4,261
Between one and five years	55	1,881
	<u>1,880</u>	<u>6,142</u>
Net obligations repayable:		
Within one year	36,027	33,591
Between one and five years	6,279	42,305
	<u>42,306</u>	<u>75,896</u>

## Group

	Non-cancellable operating leases 29.12.18	30.12.17 as restated
	£	£
Within one year	51,352	67,452
Between one and five years	6,861	717
	<u>58,213</u>	<u>68,169</u>

## Company

	Non-cancellable operating leases 29.12.18	30.12.17 as restated
	£	£
Within one year	51,352	67,452
Between one and five years	6,861	717
	<u>58,213</u>	<u>68,169</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	29.12.18	30.12.17 as restated	29.12.18	30.12.17 as restated
	£	£	£	£
Hire purchase contracts	<u>42,306</u>	<u>75,896</u>	<u>42,306</u>	<u>75,896</u>

The company's bank overdraft facility is secured by a fixed and floating charge over the assets of the company to National Westminster Bank PLC, dated 25 February 2011.

The hire purchase liabilities are secured against the assets to which they relate.

**18. PROVISIONS FOR LIABILITIES**

	Group		Company	
	29.12.18	30.12.17 as restated	29.12.18	30.12.17 as restated
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>91,805</u>	<u>60,012</u>	<u>91,805</u>	<u>60,012</u>

**Group**

Balance at 1 January 2018	
Charge to Income Statement during period	
Balance at 29 December 2018	<u>91,805</u>

**Deferred  
tax  
£**

60,012  
31,793

**Company**

Balance at 1 January 2018	
Charge to Statement of Comprehensive Income during period	
Balance at 29 December 2018	<u>91,805</u>

**Deferred  
tax  
£**

60,012  
31,793

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	29.12.18	30.12.17 as restated
			£	£
11,750	Ordinary A	£1	11,750	11,750
12,000	Ordinary B	£1	12,000	12,000
1,250	Ordinary C	£1	1,250	1,250
			<u>25,000</u>	<u>25,000</u>

**20. RESERVES****Group**

	Retained earnings £
At 1 January 2018	5,200,821
Profit for the period	1,384,793
Dividends	(100,000)
Foreign exchange	964
At 29 December 2018	<u>6,486,578</u>

**Company**

	Retained earnings £
At 1 January 2018	5,263,282
Profit for the period	1,471,027
Dividends	(100,000)
At 29 December 2018	<u>6,634,309</u>

**21. EMPLOYEE BENEFIT OBLIGATIONS**

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	29.12.18	30.12.17 as restated
	£	£
Present value of funded obligations	-	-
Fair value of plan assets	-	-
	-	-
Present value of unfunded obligations	-	(54,869)
Deficit	-	(54,869)
Net liability	-	(54,869)

**21. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in profit or loss are as follows:

	<b>Defined benefit pension plans</b>	
	<b>29.12.18</b>	<b>30.12.17 as restated</b>
	<b>£</b>	<b>£</b>
Current service cost	-	23,278
Net interest from net defined benefit asset/liability	-	948
Past service cost	-	-
	<u>-</u>	<u>24,226</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>29.12.18</b>	<b>30.12.17 as restated</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	54,869	16,852
Current service cost	-	23,278
Interest cost	-	948
Actuarial losses/(gains)	-	13,220
Exchange differences on foreign plans	-	571
Settlements	(54,869)	-
	<u>-</u>	<u>54,869</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>29.12.18</b>	<b>30.12.17 as restated</b>
	<b>£</b>	<b>£</b>
	<u>-</u>	<u>-</u>

The amounts recognised in other comprehensive income are as follows:

	<b>Defined benefit pension plans</b>	
	<b>29.12.18</b>	<b>30.12.17 as restated</b>
	<b>£</b>	<b>£</b>
Actuarial gains/(losses)	-	(13,220)
	<u>-</u>	<u>(13,220)</u>

**21. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

29.12.18	30.12.17 as restated
£	£
-	-

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

29.12.18	30.12.17 as restated
----------	-------------------------

The principal actuarial assumptions below relate to the period up to the closure of the defined benefit scheme.

**Discount Rate**

The discount rate used was 2.78% (2017: 2.78%).

The discount rate is calculated by reflecting the estimated timing of payment of retirement benefits. It was calculated using the employee list and assumptions provided by the company.

The estimated payment period for retirement benefits is 8.32 years (2017: 8.32 years).

Therefore the discount rate is between the AAA 7 year yield of 2.730% (2017: 2.730%) and the 10 year yield of 2.845% (2017: 2.845%). The discount rate was calculated using linear interpolation.

**Retirement Age**

The assumed retirement age is 60 years old.

**Wage Increases**

The expected rates of salary increases are as follows:

Age	20	25	30	35	40	45	50
Rate - 2018 & 2017	13.70%	8.13%	5.78%	4.48%	1.12%	1.06%	1.01%

These were provided by the Insurance Development Agency Reference rate.

**Mortality**

The following demographic assumptions were made in respect to mortality rates for 2018 and 2017:

Age	20	25	30	35	40	45	50
Male	0.012%	0.016%	0.014%	0.015%	0.023%	0.036%	0.050%
Female	0.004%	0.005%	0.006%	0.008%	0.013%	0.017%	0.023%

**Defined contribution scheme**

The company operates a defined contribution pension scheme. During the year the costs of the scheme amounted to £30,253 (2017: £23,553).

**22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the periods ended 29 December 2018 and 30 December 2017:

	29.12.18	30.12.17 as restated
	£	£
<b>G A Stewart</b>		
Balance outstanding at start of period	99,138	-
Amounts advanced	-	99,138
Amounts repaid	(95,856)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	<u>3,282</u>	<u>99,138</u>

**23. RELATED PARTY DISCLOSURES**

Key management personnel of the entity or its parent (in the aggregate)

	29.12.18	30.12.17 as restated
	£	£
Dividend	100,000	150,000
Amount due from related party	3,382	99,138
Amount due to related party	-	114,628

Other related parties

	29.12.18	30.12.17 as restated
	£	£
Sales	691,169	1,064,171
Purchases	3,873,071	4,474,843
Amount due from related party	391,334	297,682
Amount due to related party	<u>1,027,184</u>	<u>578,061</u>