
"K" LINE LOGISTICS (UK) LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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"K" LINE LOGISTICS (UK) LIMITED
REGISTERED NUMBER: 02318517

BALANCE SHEET
AS AT 31 MARCH 2017

		2017 £	2016 £
Fixed assets			
Tangible assets	4	68,168	59,402
		<u>68,168</u>	<u>59,402</u>
Current assets			
Debtors: amounts falling due within one year	5	678,383	652,990
Cash at bank and in hand		760,334	161,994
		<u>1,438,717</u>	<u>814,984</u>
Creditors: amounts falling due within one year	6	(783,278)	(693,840)
Net current assets		<u>655,439</u>	<u>121,144</u>
Total assets less current liabilities		<u>723,607</u>	<u>180,546</u>
Net assets		<u><u>723,607</u></u>	<u><u>180,546</u></u>
Capital and reserves			
Called up share capital		200,000	200,000
Profit and loss account		523,607	(19,454)
		<u>723,607</u>	<u>180,546</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 income and retained earnings 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 by:


H Matsuda
 Director

Date: 06/06/2017

The notes on pages 2 to 8 form part of these financial statements.

"K" LINE LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

"K" Line Logistics (UK) Limited (the "Company") is a private company limited by shares, incorporated in England and Wales. Its registration number is 02318517. The registered office is 671 Spur Road, North Feltham Trading Estate, Middlesex, TW14 0SL.

The principal activity of the company, which remained unchanged from the previous year, was that of international freight forwarding.

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 UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis.

2.3 Revenue recognition

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:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due; and
- the costs incurred or to be incurred in respect of the contract can be measured reliably.

The company provides sea and air export and import freight services to its customers. The revenue for those services is recognised as follows:

- Air export revenue is recognised once the despatch details and price have been agreed with the client.
- Sea export revenue is recognised once the vessel has departed the U.K.
- Air and Sea import revenue for customers with a credit account is recognised once the item is delivered and the proof of delivery is signed by the customer.
- Air and Sea import revenue for customers with no credit account is recognised once the order is agreed.
- Revenue relating to disbursements is recognised once the company has incurred the costs on behalf of the customer and completed all work necessary.

"K" LINE LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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, using the straight-line method or using the reducing balance basis, as applicable.

Depreciation is provided on the following bases:

Short term leasehold improvements	- Over the life of the lease
Plant and machinery	- 15% reducing balance
Fixtures and fittings	- 15% reducing balance
Computer software	- 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 income and retained earnings.

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.

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.

2.8 Creditors

Short term creditors are measured at the transaction price.

"K" LINE LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Finance costs

Finance costs are charged to the statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

"K" LINE LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.13 Taxation

Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

3. Employees

The average monthly number of employees, including directors, during the year was 17 (2016 - 19).

"K" LINE LOGISTICS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Tangible fixed assets

	Short term leasehold improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 April 2016	91,347	11,683	203,301	306,331
Additions	2,508	166	34,985	37,659
At 31 March 2017	93,855	11,849	238,286	343,990
Depreciation				
At 1 April 2016	54,870	7,245	184,814	246,929
Charge for the period on owned assets	17,362	680	10,851	28,893
At 31 March 2017	72,232	7,925	195,665	275,822
Net book value				
At 31 March 2017	21,623	3,924	42,621	68,168
At 31 March 2016	36,477	4,438	18,487	59,402

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Short leasehold	21,623	36,477
	21,623	36,477

"K" LINE LOGISTICS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Debtors

	2017	2016
	£	£
Trade debtors	247,946	363,239
Amounts owed by group undertakings	318,274	198,205
Other debtors	50,694	22,394
Prepayments and accrued income	61,469	69,152
	678,383	652,990

6. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Bank loans	-	175,000
Trade creditors	535,688	392,686
Amounts owed to group undertakings	105,782	60,406
Corporation tax	68,172	-
Other taxation and social security	17,469	13,213
Other creditors	4,808	22,101
Accruals and deferred income	51,359	30,434
	783,278	693,840

Included within trade creditors is an amount of £108,171 (2016 - £112,218) in respect of duty deferment. The Mizuho Corporate Bank Limited has provided a guarantee against this amount.

The company's parent undertaking has provided a guarantee for the bank borrowings and the duty deferment creditor for the next twelve months.

7. Pension commitments

The company contributes to personal pension schemes and the pension charge represents the amounts payable by the company to the funds in respect of the year. The assets of the schemes are held separately from those of the company in independently administered funds. During the year the company contributed £3,613 (2016 - £1,020) to the funds. The company has outstanding pension contributions payable of £Nil (2016 - £476) at the year end.

"K" LINE LOGISTICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

8. Related party transactions

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 and paragraph 33.1A, from disclosing transactions with key management and from disclosing other related party transactions as they are with other companies that are wholly owned with the group. The company is a wholly owned subsidiary of the Kawasaki Kisen Kaisha group.

9. Controlling party

The ultimate parent company and controlling entity is Kawasaki Kisen Kaisha, a company incorporated in Japan. Copies of the financial statements of Kawasaki Kisen Kaisha can be obtained from Hibiya Central Building, 2-9 Nishi-Shinbasi 1-Chrome, Minato-ku, Tokyo 105, Japan.

10. 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. The entity's transition date was 1 April 2015. The last financial statements for the year ended 31 March 2016 were the last to be prepared under the previous UK GAAP.

11. Auditor's information

The financial statements were audited by Barnes Roffe LLP. The audit report was unqualified and signed by Graham Wallace as senior statutory auditor.