Registered number: 02318517

"K" LINE LOGISTICS (UK) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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

BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	4		**96,457**		*88,894*
Current assets					
Debtors: amounts falling due within one year	5	**1,457,147**		*755,914*	
Cash at bank and in hand		**1,470,213**		*1,639,592*	
		2,927,360		*2,395,506*	
Creditors: amounts falling due within one year	6	**(1,330,235)**		*(761,930)*	
Net current assets			**1,597,125**		*1,633,576*
Net assets			**1,693,582**		*1,722,470*
Capital and reserves					
Called up share capital	7		**200,000**		*200,000*
Profit and loss account			**1,493,582**		*1,522,470*
			1,693,582		*1,722,470*

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: 29 July 2021

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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.

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's 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.

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 annual 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 profit or loss.

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 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 ordinary shares.

2.8 Creditors

Short term creditors are measured at the transaction price.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Finance costs

Finance costs are charged to profit or loss 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 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.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss 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. Accounting policies (continued)

2.13 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 profit or loss 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.

2.14 Taxation

Tax is recognised in profit or loss 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 19 *(2020 - 19)*.

4. Tangible fixed assets

	Short term leasehold improvements	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	156,770	29,302	270,066	456,138
Additions	-	1,700	48,524	50,224
At 31 March 2021	156,770	31,002	318,590	506,362
Depreciation				
At 1 April 2020	106,197	13,042	248,005	367,244
Charge for the year on owned assets	16,813	2,598	23,250	42,661
At 31 March 2021	123,010	15,640	271,255	409,905
Net book value				
At 31 March 2021	33,760	15,362	47,335	96,457
At 31 March 2020	*50,573*	*16,260*	*22,061*	*88,894*

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

	2021	*2020*
	£	*£*
Short leasehold	33,760	*50,573*

5. Debtors

	2021 £	*2020* *£*
Trade debtors	**728,103**	*198,842*
Amounts owed by group undertakings	**261,306**	*386,848*
Other debtors	**302,435**	*68,982*
Prepayments and accrued income	**165,303**	*101,242*
	1,457,147	*755,914*

6. Creditors: Amounts falling due within one year

	2021 £	*2020* *£*
Trade creditors	**457,943**	*573,532*
Amounts owed to group undertakings	**449,911**	*78,038*
Corporation tax	**-**	*34,694*
Other taxation and social security	**14,591**	*20,290*
Other creditors	**3,769**	-
Accruals and deferred income	**404,021**	*55,376*
	1,330,235	*761,930*

Included within trade creditors is an amount of £68,163 *(2020 - £64,911)* in respect of duty deferment. The Mizuho Corporate Bank Limited has provided a guarantee against this amount.

The company's parent undertaking has also provided a guarantee for this duty deferment creditor for the next twelve months.

7. Share capital

	2021 £	*2020* *£*
Allotted, called up and fully paid		
200,000 *(2020 - 200,000)* Ordinary shares of £1 each	**200,000**	*200,000*

8. 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 £15,894 *(2020 - £17,647)* to the funds. No pension contributions were owed or owing at the end of either the current or the prior year.

9. Commitments under operating leases

At 31 March 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	*2020*
	£	*£*
Not later than 1 year	**156,415**	*148,549*
Later than 1 year and not later than 5 years	**148,831**	*261,215*
	305,246	*409,764*

10. 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 within the group. The company is a wholly owned subsidiary of the Kawasaki Kisen Kaisha group.

11. Controlling party

The ultimate parent company 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. The ultimate controlling party is "K" Line Logistics Ltd, a company incorporated in Japan.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2021 was unqualified.

The audit report was signed on 29 July 2021 by Graham Wallace (senior statutory auditor) on behalf of Barnes Roffe LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.