

Registered number:02587345 (England & Wales)

**HARTLAND SHIPPING SERVICES
LIMITED**
**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**
**FOR THE YEAR ENDED
31 DECEMBER 2022**

Pages for Filing with Registrar



HARTLAND SHIPPING SERVICES LIMITED

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HARTLAND SHIPPING SERVICES LIMITED

COMPANY INFORMATION

Directors
Charlie Laughton-Scott
Clive Makepeace
Christopher Ohlson
Nigel Prentis
Julian Robinson
Mark Steans
Martin Bazley

Company secretary Carolyn Mohan

Registered number 02587345

Registered office
28 Bedford Street
London
WC2E 9ED

Independent auditors
Lewis Golden LLP
40 Queen Anne Street
London
W1G 9EL

HARTLAND SHIPPING SERVICES LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	310,417	323,221
Tangible assets	5	40,383	15,942
Investments	6	268,826	288,825
		<u>619,626</u>	<u>627,988</u>
Current assets			
Debtors	7	708,423	567,074
Cash at bank and in hand	8	3,608,649	2,683,709
		<u>4,317,072</u>	<u>3,250,783</u>
Creditors: amounts falling due within one year	9	(3,221,009)	(2,652,839)
Net current assets		<u>1,096,063</u>	<u>597,944</u>
Total assets less current liabilities		<u>1,715,689</u>	<u>1,225,932</u>
Creditors: amounts falling due after more than one year	10	(427,613)	(383,668)
Net assets		<u><u>1,288,076</u></u>	<u><u>842,264</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		1,288,074	842,262
		<u><u>1,288,076</u></u>	<u><u>842,264</u></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 prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the Directors' Report and Profit and Loss Account 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:

.....
Clive Makepeace

Director

Date: 25th July 2023

The notes on pages 3 to 10 form part of these financial statements.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Hartland Shipping Services Limited is a private company limited by share capital, incorporated in England and Wales, registered number 02587345. The address of the registered office is 28 Bedford Street, London, WC2E 9ED.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A - small entities of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing group financial statements

The company is part of a small group. The company has taken advantage of the exemption provided by Section 399 of the Companies Act 2006 and has not prepared group financial statements.

The financial statement present information about the company as an individual undertaking.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Profit and Loss Account over its useful economic life.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

Depreciation is provided on the following basis:

Plant and machinery etc	- 3 years straight line
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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 Profit and Loss Account.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Debtors

Short-term debtors are measured at the transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 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.

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 Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.10 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.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pound sterling.

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 Profit and Loss Account.

2.12 Finance costs

Finance costs are charged to the Profit and Loss Account 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.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.13 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.

2.14 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight-line basis over the lease term.

2.15 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 Profit and Loss Account 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.

2.16 Borrowing costs

All borrowing costs are recognised in the Profit and Loss Account in the year in which they are incurred.

2.17 Taxation

Tax is recognised in the Profit and Loss Account.

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.

2.18 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.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Employees

The average monthly number of employees, including the directors, during the year was 25 (2021 - 23).

4. Intangible assets

	Goodwill £
Cost	
At 1 January 2022	459,901
Additions	136,229
At 31 December 2022	<u>596,130</u>
Amortisation	
At 1 January 2022	136,680
Charge for the year	149,033
At 31 December 2022	<u>285,713</u>
Net book value	
At 31 December 2022	<u><u>310,417</u></u>
At 31 December 2021	<u><u>323,221</u></u>

HARTLAND SHIPPING SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Tangible fixed assets

	Plant and machinery etc. £
Cost	
At 1 January 2022	82,258
Additions	43,274
At 31 December 2022	<u>125,532</u>
Depreciation	
At 1 January 2022	66,316
Charge for the year	18,833
At 31 December 2022	<u>85,149</u>
Net book value	
At 31 December 2022	<u>40,383</u>
At 31 December 2021	<u>15,942</u>

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Fixed asset investments

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 January 2022	488,151	20,000	508,151
Additions	-	3,750	3,750
At 31 December 2022	488,151	23,750	511,901
Impairment			
At 1 January 2022	219,326	-	219,326
Charge for the year	-	23,749	23,749
At 31 December 2022	219,326	23,749	243,075
Net book value			
At 31 December 2022	268,825	1	268,826
At 31 December 2021	268,825	20,000	288,825

7. Debtors

	2022 £	2021 £
Trade debtors	374,999	210,959
Other debtors	333,424	356,115
	708,423	567,074

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	3,608,649	2,683,709

Cash at bank and in hand includes £227,897 (2021 - £575,198) which is available only for the purpose of settling a corresponding trade creditor balance and relates to funds held by the company in their capacity as agent. This balance is comprised of EUR and USD balances and funds are held in separate accounts.

HARTLAND SHIPPING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	281,103	610,536
Amounts owed to group undertakings	200	15,237
Corporation tax	380,600	102,057
Other taxation and social security	149,516	109,799
Other creditors	2,409,590	1,815,210
	<u>3,221,009</u>	<u>2,652,839</u>

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

	2022 £	2021 £
Other loans	<u>427,613</u>	<u>383,668</u>

The other loans are not secured and arose due to the following:

Following the sale of their shares in Hartland Shipping Limited to Hartland Shipping Employee Trust Limited in the year ended 31 December 2021 certain employees have provided funds to assist with the working capital requirements of the company. The working capital requirement is reviewed annually. The loan is repayable should the employee leave. No interest is payable on the loan until the employee leaves and is then only payable in the period from the date the employees leaves to when they receive the repayment at 6% per annum.

11. Related party transactions

The company has taken advantage of the exemption provided in FRS 102 Section 1A from disclosing transactions with members of the same group that are wholly owned.

12. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 15 August 2023 by Andrew Moss (Senior Statutory Auditor) on behalf of Lewis Golden LLP.