

Registered number
09288863

MARINE UNIVERSAL SERVICES LTD

Report and Financial Statements

31 October 2018

**Husain Bulman & Co.
Chartered Accountants
258 Merton Road
London, SW18 5JL**

MARINE UNIVERSAL SERVICES LTD
Report and accounts
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MARINE UNIVERSAL SERVICES LTD

Current Company Information

Directors

Neil Young

A. Hameed Chiragh

Auditors

Husain Bulman & Co

258 Merton Road

Wandsworth

London

SW18 5JL

Solicitors

Fedor Chudakov

Office 1611

Mamina Sibiryaka Street

101 Business centre

Ekaterinburg

Russian Federation

Registered office

258 Merton Road

London

SW18 5JL

United Kingdom

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MARINE UNIVERSAL SERVICES LTD

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Directors' Report

The directors present their report and financial statements for the year ended 31 October 2018.

Principal activities

The company's principal activity during the year continued to be the export of wheat and grain

Future developments

The future developments section is included in the strategic report

Financial instrument risk

The company only uses basic financial instruments as described under section 11. The risk therefore is deemed to be low

Directors

The following persons served as directors of the company

Neil Young

A. Hameed Chiragh

Disclosure of information to auditors

The director signing the report confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is 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 company's auditor is aware of that information.

This report was approved by the board on 22 November 2019 and signed on its behalf.

A. Hameed Chiragh

Director

MARINE UNIVERSAL SERVICES LTD

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

MARINE UNIVERSAL SERVICES LTD

Strategic Report

I am pleased to present the accounts for the year ended 31 October 2018. During this financial year the company saw tremendous growth in terms of sales achieved both in terms of volume and amount. This was largely due to the ministry expanding the acreage for Barley in the preceding year which enabled the farmers to plant more. Add to this the reduced amount of impurity content in the grain which resulted in reduced wastage.

The performance of sales can be gauged from following figures:

Year on year sales	2018	2017
	£m	£m
Turnover	17.67	7.84

Percentage increase in turnover: 125%

Decrease in profit

Unfortunately the above increase in turnover has not translated to the same increase in profit, this was largely due to the increase in distribution costs which have gone up from 16% of turnover to 22%. This was mainly down to two factors firstly the change in international fuel prices which in 2017 averaged around \$55 per barrel of crude and in 2018 averaged \$65 per barrel. This caused logistic companies to partially push their increase in cost to its customers. Apart from this there were a number of smaller orders as well which proved to be uneconomical in terms of our distribution costs

	2018	2017
Distribution costs as a percentage of turnover	22%	16%

Another major factor was the extraordinary high bank charges which doubled during the year when compared to the previous years already high charges. This prompted the company to look for alternative banking arrangements which has been successfully achieved. This should significantly reduce the banking charges for 2019 when we compare it to the last two years.

Main risks

The significant risks that the company faces in the future will be the weather. As the business is heavily reliant on the type of grain produced which in turn the farmers rely on the weather in north Kazakhstan. There have been no major fluctuations in the climate in the region which would affect this years harvest.

Another major risk is the introduction of new competitors in the market as with the increase in acreage for barley and the increased demand of barley of Kazakhstan origin it is likely that new competitors will enter the market. Without government support it is unlikely that this will happen in the next year.

Future outlook

For the future year we have already secured contracts for the supply of our products and estimate that the sales for the next two years should be similar to the existing year. The company has been looking for new markets and is very hopeful that a contract within Tajikistan would materialise as this would enable us to enter into that market. I would also like to mention that we have made an agreement with a logistics company which should help reduce our distribution costs.

This report was approved by the board on 22 November 2019 and signed on its behalf.

A. Hameed Chiragh
Director

MARINE UNIVERSAL SERVICES LTD

Independent auditor's report

to the member of MARINE UNIVERSAL SERVICES LTD

Opinion

We have audited the financial statements of MARINE UNIVERSAL SERVICES LTD for the year ended 31 October 2018 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

- give a true and fair view of the state of the company's affairs as at 31 October 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable laws. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Other matters

As part of our work carried out in forming our opinion it would be pertinent to mention that the corresponding figures have not been audited and we do not, through this report, express an opinion on those figures.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine is 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

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 an auditor's report 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.

In our opinion the 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. This description forms part of our auditor's report.

Syed Tariq Lutfullah

(Senior Statutory Auditor)

for and on behalf of

Husain Bulman & Co

Accountants and Statutory Auditors

23 November 2019

258 Merton Road

Wandsworth

London

SW18 5JL

MARINE UNIVERSAL SERVICES LTD
Statement of Comprehensive Income
for the year ended 31 October 2018

	Notes	2018 £	2017 £
Turnover	2	17,671,661	7,842,209
Cost of sales		(13,532,373)	(6,465,416)
Gross profit		<u>4,139,288</u>	<u>1,376,793</u>
Distribution costs		(3,863,081)	(1,261,100)
Administrative expenses		(151,130)	(48,296)
Operating profit	3	<u>125,077</u>	<u>67,397</u>
(Loss)/gain on currency exchange		(12,567)	57,295
Profit on ordinary activities before taxation		<u>112,510</u>	<u>124,692</u>
Tax on profit on ordinary activities		(20,931)	(24,938)
Profit for the financial year & total comprehensive income		<u>91,579</u>	<u>99,754</u>

MARINE UNIVERSAL SERVICES LTD**Statement of Financial Position****as at 31 October 2018**

	Notes	2018 £	2017 £
Current assets			
Stocks	6	745,481	608,123
Debtors	7	6,632,326	1,500,785
Cash at bank and in hand		109,019	177,986
		<u>7,486,826</u>	<u>2,286,894</u>
Creditors: amounts falling due within one year	8	(7,282,731)	(2,174,378)
Net current assets		<u>204,095</u>	<u>112,516</u>
Net assets		<u>204,095</u>	<u>112,516</u>
Capital and reserves			
Called up share capital	9	10,000	10,000
Profit and loss account	10	194,095	102,516
Total equity		<u>204,095</u>	<u>112,516</u>

A. Hameed Chiragh

Director

Approved by the board on 22 November 2019

MARINE UNIVERSAL SERVICES LTD**Statement of Changes in Equity****for the year ended 31 October 2018**

	Share capital	Profit and loss account	Total
	£	£	£
At 1 November 2016	10,000	2,762	12,762
Profit for the financial year	<hr/>	<hr/> 99,754	<hr/> 99,754
At 31 October 2017	<hr/> 10,000	<hr/> 102,516	<hr/> 112,516
At 1 November 2017	10,000	102,516	112,516
Profit for the financial year	<hr/>	<hr/> 91,579	<hr/> 91,579
At 31 October 2018	<hr/> 10,000	<hr/> 194,095	<hr/> 204,095

MARINE UNIVERSAL SERVICES LTD**Statement of Cash Flows****for the year ended 31 October 2018**

	Notes	2018 £	2017 £
Operating activities			
Profit for the financial year		91,579	99,754
Adjustments for:			
Tax on profit on ordinary activities		20,931	24,938
Increase in stocks		(137,358)	(608,123)
Increase in debtors		(5,131,541)	(1,490,785)
Increase in creditors		5,111,629	2,102,561
		<u>(44,760)</u>	<u>128,345</u>
Corporation tax paid		(24,207)	(24,938)
Cash (used in)/generated by operating activities		<u>(68,967)</u>	<u>103,407</u>
Net cash (used)/generated			
Cash (used in)/generated by operating activities		(68,967)	103,407
Net cash (used)/generated		<u>(68,967)</u>	<u>103,407</u>
Cash and cash equivalents at 1 November		177,986	74,579
Cash and cash equivalents at 31 October		<u>109,019</u>	<u>177,986</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>109,019</u>	<u>177,986</u>

MARINE UNIVERSAL SERVICES LTD

Notes to the Accounts

for the year ended 31 October 2018

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the average stock valuation. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

No provision has been made in the accounts for deferred taxation as no timing differences are recognised relating to assets. In addition there are no losses carried forward which would give rise

to deferred taxation.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Going Concern

These accounts have been prepared on the going concern basis on the assurances of the director that there is no concern regarding the recoverability of debtors and future sales of the company.

2 Analysis of turnover	2018	2017
	£	£
Sale of goods	15,015,192	7,358,909
Services rendered	2,656,469	483,300
	<u>17,671,661</u>	<u>7,842,209</u>
By geographical market:		
Europe	<u>17,671,661</u>	<u>7,842,209</u>

3 Operating profit	2018	2017
	£	£
This is stated after charging:		
Auditors' remuneration for audit services	<u>9,928</u>	<u>-</u>

4 Staff costs	2018	2017
The average number of employees during the year was 5	£	£
Wages and salaries	<u>21,893</u>	<u>-</u>

5 Taxation		
Corporation tax has been provided in the accounts for the current year ending 31 October 2018 at the rate prevailing of 20% for the period based on the profits for the year then ended:		

	2018	2017
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	21,662	24,938
Overprovision	(731)	-
	<u>20,931</u>	<u>24,938</u>

6 Stocks	2018	2017
	£	£
Raw materials and consumables	<u>745,481</u>	<u>608,123</u>

7 Debtors	2018	2017
	£	£
Trade debtors	3,347,571	77,044
Other debtors	3,274,755	1,413,741
Unpaid share capital	10,000	10,000
	<u>6,632,326</u>	<u>1,500,785</u>

8 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	7,261,069	2,149,440
Corporation tax	21,662	24,938
	<u>7,282,731</u>	<u>2,174,378</u>

9 Share capital	Nominal value	2018 Number	2018 £	2017 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	-	-	-
Unpaid Share capital				
Ordinary shares	£1 each	10,000	<u>10,000</u>	<u>10,000</u>

10 Profit and loss account	2018	2017
	£	£
At 1 November 2018	102,516	2,762
Profit for the financial year	91,579	99,754
At 31 October 2018	<u>194,095</u>	<u>102,516</u>

11 Presentation currency

The financial statements are presented in Sterling which is also the functional currency.

12 Legal form of entity and country of incorporation

MARINE UNIVERSAL SERVICES LTD is a private company limited by shares and incorporated in England & Wales. The company is regarded as domiciled and resident for tax purposes in the United Kingdom.

- 13** Basic financial instruments are recognised at amortised cost, except for investments in non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss.

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