

Registration number: SC207932

D H Marine (Shetland) Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 30 November 2019



D H Marine (Shetland) Limited

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D H Marine (Shetland) Limited
(Registration number: SC207932)
Balance Sheet as at 30 November 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	2,408,026	2,692,868
Current assets			
Stocks	5	649,700	626,243
Debtors	6	742,976	815,657
Cash at bank and in hand		<u>1,215,801</u>	<u>821,938</u>
		2,608,477	2,263,838
Creditors: Amounts falling due within one year	7	<u>(475,763)</u>	<u>(454,195)</u>
Net current assets		<u>2,132,714</u>	<u>1,809,643</u>
Total assets less current liabilities		4,540,740	4,502,511
Creditors: Amounts falling due after more than one year	7	(439,248)	(581,562)
Provisions for liabilities		<u>(29,000)</u>	<u>(16,700)</u>
Net assets		<u><u>4,072,492</u></u>	<u><u>3,904,249</u></u>
Capital and reserves			
Called up share capital	8	300	300
Profit and loss account		<u>4,072,192</u>	<u>3,903,949</u>
Total equity		<u><u>4,072,492</u></u>	<u><u>3,904,249</u></u>

D H Marine (Shetland) Limited
(Registration number: SC207932)
Balance Sheet as at 30 November 2019

For the financial year ending 30 November 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 10/06/2020.



Mr D J Henry
Director

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Marina Business Park
Gremista
Lerwick
Shetland
ZE1 0TA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the fundamental currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Commercial vehicles	straight line over 5 years
Plant and machinery	straight line over 5 - 20 years
Freehold property	no depreciation
Leasehold property & improvements	straight line over the period of the lease
Charter vessel	25 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 33 (2018 - 35).

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

4 Tangible assets

	Land and buildings £	Charter vessel and accessories £	Plant and machinery £	Commercial vehicles £	Total £
Cost or valuation					
At 1 December 2018	976,350	1,276,950	3,619,555	523,368	6,396,223
Additions	13,721	248	179,643	-	193,612
Disposals	-	-	(718,055)	(17,383)	(735,438)
At 30 November 2019	990,071	1,277,198	3,081,143	505,985	5,854,397
Depreciation					
At 1 December 2018	60,449	392,483	2,862,794	387,626	3,703,352
Charge for the year	11,287	88,449	266,821	43,534	410,091
Eliminated on disposal	-	-	(649,689)	(17,383)	(667,072)
At 30 November 2019	71,736	480,932	2,479,926	413,777	3,446,371
Carrying amount					
At 30 November 2019	918,335	796,266	601,217	92,208	2,408,026
At 30 November 2018	915,900	884,466	756,760	135,742	2,692,868

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

5 Stocks

	2019	2018
	£	£
Other inventories	<u>649,700</u>	<u>626,243</u>

6 Debtors

	2019	2018
	£	£
Trade debtors	721,094	789,385
Prepayments	21,882	16,165
Other debtors	-	10,107
	<u>742,976</u>	<u>815,657</u>

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and borrowings	9	148,061	151,405
Trade creditors		180,730	223,156
Taxation and social security		97,017	59,750
Other creditors		49,955	19,884
		<u>475,763</u>	<u>454,195</u>
Due after one year			
Bank loans and borrowings	9	<u>439,248</u>	<u>581,562</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	9	<u>439,248</u>	<u>581,562</u>

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>

D H Marine (Shetland) Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	111,111	154,467
Finance lease liabilities	<u>328,137</u>	<u>427,095</u>
	<u><u>439,248</u></u>	<u><u>581,562</u></u>

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	45,500	45,500
Finance lease liabilities	<u>102,561</u>	<u>105,905</u>
	<u><u>148,061</u></u>	<u><u>151,405</u></u>

Bank borrowings

Bank borrowings is denominated in sterling with a nominal interest rate of 3.05%, and the final instalment is due on 30 November 2022. The carrying amount at year end is £156,611 (2018 - £199,967).

The bank loan is secured on freehold and long leasehold properties within fixed assets.

Included in the loans and borrowings are the following amounts due after more than five years:

Borrowings due after five years

Finance lease liabilities due after more than five years by instalments are £59,600 (2018 : £116,560).