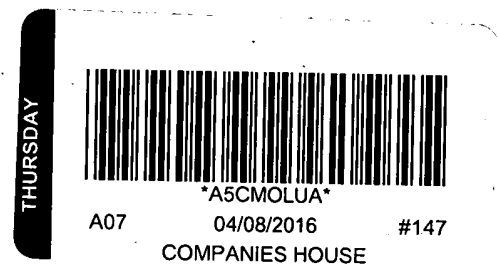


**DAMAC BULK HANDLING LIMITED**

**UNAUDITED  
FINANCIAL STATEMENTS**

**31 DECEMBER 2015**



**ArmstrongWatson®**

Accountants, Business & Financial Advisers

**REGISTRAR**

# **DAMAC BULK HANDLING LIMITED**

## **COMPANY INFORMATION**

**Directors**

D Mackrill  
L D Mackrill  
C Plaskitt

**Company secretary**

C Plaskitt

**Registered number**

02028013

**Registered office**

Mariner Street  
Goole  
East Yorkshire  
DN14 5BW

**Independent auditor**

Armstrong Watson Audit Limited  
Chartered Accountants and Statutory Auditors  
Third Floor  
10 South Parade  
Leeds  
West Yorkshire  
LS1 5QS

# **DAMAC BULK HANDLING LIMITED**

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**DAMAC BULK HANDLING LIMITED**  
**REGISTERED NUMBER: 02028013**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	4	<u>129,059</u>	<u>156,188</u>
		<b>129,059</b>	<b>156,188</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	69,104	112,609
Cash at bank and in hand	6	<u>165,540</u>	<u>58,233</u>
		<b>234,644</b>	<b>170,842</b>
Creditors: amounts falling due within one year	7	<u>(171,906)</u>	<u>(198,633)</u>
<b>Net current assets/(liabilities)</b>		<b>62,738</b>	<b>(27,791)</b>
<b>Total assets less current liabilities</b>		<b>191,797</b>	<b>128,397</b>
<b>Provisions for liabilities</b>			
Deferred tax	9	<u>(14,355)</u>	<u>(17,266)</u>
		<b>(14,355)</b>	<b>(17,266)</b>
<b>Net assets</b>		<b>177,442</b>	<b>111,131</b>
<b>Capital and reserves</b>			
Called up share capital	10	1,000	1,000
Profit and loss account	11	<u>176,442</u>	<u>110,131</u>
		<b>177,442</b>	<b>111,131</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**C Plaskitt**  
Director

Date: 19.07.16

The notes on pages 2 to 9 form part of these financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

# **DAMAC BULK HANDLING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

### **1. General information**

The company is a limited liability company incorporated and domiciled in the United Kingdom. The company is a tax resident in the United Kingdom.

The principal activity of the company remained unchanged and was that of the operation of silo storage facilities.

Damac Bulk Handling Limited operates from its registered office of Mariners Street, Goole, North Humberside, DN14 5BW.

### **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 of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 (see note 3).

The following principal accounting policies have been applied:

#### **2.2 Revenue**

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:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Rendering of services**

Revenue 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 revenue 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.

## **DAMAC BULK HANDLING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **2. Accounting policies (continued)**

##### **2.3 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Land and buildings	- 4% on cost
Plant and equipment	- 20% on cost

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 within 'other operating income' in the Statement of Income and Retained Earnings.

##### **2.4 Debtors**

Short term debtors are measured at 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.

##### **2.5 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.

##### **2.6 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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow

## **DAMAC BULK HANDLING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **2. Accounting policies (continued)**

##### **2.6 Financial instruments (continued)**

discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) at cost less impairment for all other investments.

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 Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

##### **2.7 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.

##### **2.8 Interest income**

Interest income is recognised in the Income statement using the effective interest method.

## **DAMAC BULK HANDLING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **2. Accounting policies (continued)**

##### **2.9 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

##### **2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change 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 reporting 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 Statement of financial position 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 reporting date.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There are no key sources of estimation uncertainty in applying accounting policies in the financial statements.



**DAMAC BULK HANDLING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. Tangible fixed assets**

	Land and buildings £	Plant & equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2015	419,215	618,562	1,037,777
At 31 December 2015	419,215	618,562	1,037,777
<b>Depreciation</b>			
At 1 January 2015	363,027	518,562	881,589
Charge owned for the period	7,129	20,000	27,129
At 31 December 2015	370,156	538,562	908,718
<b>Net book value</b>			
At 31 December 2015	49,059	80,000	129,059
At 31 December 2014	56,188	100,000	156,188

**5. Debtors**

	2015 £	2014 £
Trade debtors	15,291	32,871
Amounts owed by group undertakings	-	7,349
Other debtors	-	15,061
Prepayments and accrued income	53,813	57,328
	69,104	112,609

**6. Cash and cash equivalents**

	2015 £	2014 £
Cash at bank and in hand	165,540	58,233
	165,540	58,233

# DAMAC BULK HANDLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 7. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	100,266	141,752
Amounts owed to group undertakings	-	16,259
Corporation tax	21,154	11,976
Taxation and social security	25,824	1,560
Other creditors	22,645	22,511
Accruals and deferred income	2,017	4,575
	<u>171,906</u>	<u>198,633</u>

	2015 £	2014 £
<b>Other taxation and social security</b>		
PAYE/NI control	1,328	1,560
VAT control	24,496	-
	<u>25,824</u>	<u>1,560</u>

### 8. Financial instruments

	2015 £	2014 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	165,540	58,233
Financial assets that are debt instruments measured at amortised cost	15,291	55,281
	<u>180,831</u>	<u>113,514</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(124,927)	(185,096)
	<u>(124,927)</u>	<u>(185,096)</u>

# DAMAC BULK HANDLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 9. Deferred taxation

	Deferred tax £
At 1 January 2015	(17,266)
Charged to the profit or loss	2,911
<b>At 31 December 2015</b>	<b>(14,355)</b>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(14,355)	(17,266)
	<b>(14,355)</b>	<b>(17,266)</b>

### 10. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000

The Ordinary shares carry rights of one vote per share and have no restrictions on the distribution of dividends and the repayment of capital.

### 11. Reserves

#### Profit and loss account

Includes all current and prior period retained profits and losses.

### 12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £40,000 (2014 - £40,000). There were no pension commitments payable to the fund at the reporting date.

# DAMAC BULK HANDLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 13. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	35,100	35,100
Later than 1 year and not later than 5 years	140,400	140,400
Later than 5 years	456,300	491,400
<b>Total</b>	<b>631,800</b>	<b>666,900</b>

### 14. Related party transactions

The company has taken advantage of the exemption contained in Section 1A of FRS 102 'Related Party Disclosures' from disclosing transactions or balances with entities which form part of the group.

### 15. Controlling party

The ultimate parent company is Damac Group Limited and C Plaskitt and L D Mackrill had control of the company during the year.

### 16. 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.

### 17. Audit report on financial statements

The audit report on the full accounts for the year ended 31 December 2015 was unqualified and there were no matters to which the auditor drew attention.

The audit report was signed by Matthew Osbourne, Senior Statutory Auditor on behalf of Armstrong Watson Audit Limited.

