

DAMAC BULK HANDLING LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 DECEMBER 2016



ArmstrongWatson[®]
Accountants, Business & Financial Advisers

DAMAC BULK HANDLING LIMITED
REGISTERED NUMBER: 02028013

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	1,068,930	129,058
		<u>1,068,930</u>	<u>129,058</u>
Current assets			
Debtors: amounts falling due within one year	5	241,299	69,103
Cash at bank and in hand	6	434,056	165,540
		<u>675,355</u>	<u>234,643</u>
Creditors: amounts falling due within one year	7	(1,322,883)	(171,905)
Net current (liabilities)/assets		<u>(647,528)</u>	<u>62,738</u>
Total assets less current liabilities		<u>421,402</u>	<u>191,796</u>
Provisions for liabilities			
Deferred tax		(78,604)	(14,355)
		<u>(78,604)</u>	<u>(14,355)</u>
Net assets		<u><u>342,798</u></u>	<u><u>177,441</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		341,798	176,441
		<u><u>342,798</u></u>	<u><u>177,441</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 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:



.....
C Plaskitt
 Director

Date: 14.09.2017

The notes on pages 2 to 7 form part of these financial statements.

DAMAC BULK HANDLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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 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 accounting policies.

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; and
- 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

DAMAC BULK HANDLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.2 Revenue (continued)

- the costs incurred and the costs to complete the contract can be measured reliably.

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.

Land is not depreciated. Depreciation on other assets 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:

Silos	-	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 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 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.

DAMAC BULK HANDLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.7 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 Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

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 Statement of income and retained earnings 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.

DAMAC BULK HANDLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 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. Employees

The average monthly number of employees, including directors, during the year was 5 (2015 - 3).

DAMAC BULK HANDLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Tangible fixed assets

	Silos £	Plant and equipment £	Assets in course of construction £	Total £
Cost or valuation				
At 1 January 2016	419,215	618,562	-	1,037,777
Additions	-	6,956	960,046	967,002
At 31 December 2016	419,215	625,518	960,046	2,004,779
Depreciation				
At 1 January 2016	370,157	538,562	-	908,719
Charge for the year on owned assets	7,129	20,000	-	27,129
At 31 December 2016	377,286	558,562	-	935,848
Net book value				
At 31 December 2016	41,929	66,956	960,046	1,068,931
At 31 December 2015	49,058	80,000	-	129,058

5. Debtors

	2016 £	2015 £
Trade debtors	10,484	15,291
Other debtors	175,623	-
Prepayments and accrued income	55,192	53,812
	241,299	69,103

6. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	434,056	165,540
	434,056	165,540

DAMAC BULK HANDLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	844,308	100,266
Amounts owed to group undertakings	108,000	-
Corporation tax	-	21,154
Other taxation and social security	1,296	25,824
Other creditors	363,979	22,645
Accruals and deferred income	5,300	2,016
	<u>1,322,883</u>	<u>171,905</u>

	2016 £	2015 £
Other taxation and social security		
PAYE/NI control	1,296	1,328
VAT control	-	24,496
	<u>1,296</u>	<u>25,824</u>

8. Capital commitments

At 31 December 2016 the Company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	1,031,315	-
	<u>1,031,315</u>	<u>-</u>

9. Controlling party

The ultimate parent company is Damac Group Limited, which operates from the registered office, Mariners Street, Goole, North Humberside, DN14 5BW.

10. Auditor's information

The audit report on the full accounts for the year ended 31 December 2016 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.