

REGISTRAR'S COPY

PRECISION STEVEDORES LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD
ENDED 31 DECEMBER 2018



PRECISION STEVEDORES LIMITED

COMPANY INFORMATION FOR THE PERIOD ENDED 31 DECEMBER 2018

Directors

J G Daniels
I D Parsons
J R Stewart
J S Nielsen
G G Hunter

Registered office

Unit 19, Marina Court
Castle Street
Hull
HU1 1TJ

Registered number

11319214 (England and Wales)

Auditors

RSM UK Audit LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Bankers

HSBC Bank plc
Merit House
Priory Park West
Saxon Way
Hessle
Hull
East Yorkshire
HU13 9PB

Solicitors

Stamp Jackson and Procter LLP
5 Parliament Street
Hull
HU1 2AZ

PRECISION STEVEDORES LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their report with the financial statements of the company for the period from incorporation on 19 April 2018 to 31 December 2018. The company commenced trading with effect from 1 May 2018.

Dividends

Interim dividends of £nil were paid during the period. The directors do not recommend the payment of a final dividend.

Directors

The directors during the period were as follows:

P J O'Hare	(appointed 19 April 2018, resigned 9 May 2019)
I D Parsons	(appointed 19 April 2018)
J J Hunter	(appointed 19 April 2018, resigned 9 May 2019)
J R Stewart	(appointed 19 April 2018)
J G Daniels	(appointed 30 April 2018)

The following directors were appointed subsequent to the period end:

G G Hunter	(appointed 9 May 2019)
J S Nielsen	(appointed 9 May 2019)

Director indemnities

Qualifying third party indemnity provisions as defined by Section 234 of the Companies Act were in place throughout the period.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 accounting estimates that are reasonable and prudent;
- 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director 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 auditors are aware of that information.

PRECISION STEVEDORES LIMITED

REPORT OF THE DIRECTORS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

Auditors

RSM UK Audit LLP has indicated their willingness to be appointed and appropriate arrangements have been put in place for them to be deemed appointed as auditors in the absence of an Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board:



G G Hunter – Director

16th October 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRECISION STEVEDORES LIMITED

Opinion

We have audited the financial statements of Precision Stevedores Limited (the 'company') for the period ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the period 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 annual report, 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRECISION STEVEDORES LIMITED (CONTINUED)

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 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

RSM UK Audit LLP

RICHARD LEWIS (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN
Date

22/10/2019

PRECISION STEVEDORES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2018

		Period 19 April to 31 December 2018 £
	<i>Notes</i>	
Turnover	2	1,766,587
Cost of sales		<u>(1,628,579)</u>
Gross profit		138,008
Administrative expenses		<u>(199,215)</u>
Operating loss		(61,207)
Interest payable and similar charges		-
Loss on ordinary activities before taxation	4	<u>(61,207)</u>
Tax on loss on ordinary activities	5	-
Loss for the period		<u>(61,207)</u>

PRECISION STEVEDORES LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	31 December 2018	
		£	£
Fixed assets			
Tangible fixed assets	6		<u>9,867</u>
Current assets			
Debtors	7	660,387	
Cash at bank and in hand		<u>1,144</u>	
		661,531	
Creditors			
Amounts falling due within one year	8	<u>(712,605)</u>	
Net current liabilities			<u>(51,074)</u>
Total assets less current liabilities			<u>(41,207)</u>
Capital and reserves			
Called up share capital	10		20,000
Retained earnings	11		<u>(61,207)</u>
Shareholders' funds			<u>(41,207)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on *16th October* 2019 and were signed on its behalf by:



G G Hunter
Director

PRECISION STEVEDORES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2018

	Called up share capital £	Retained earnings £	Total equity £
On incorporation at 19 April 2018	-	-	-
Changes in equity			
Issue of shares (note 10)	20,000	-	20,000
Loss for the period	-	(61,207)	(61,207)
Balance at 31 December 2018	<u>20,000</u>	<u>(61,207)</u>	<u>(41,207)</u>

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. Accounting policies

GENERAL INFORMATION

Precision Stevedores Limited ("the Company") is a company limited by shares domiciled and incorporated in England and Wales. The company was incorporated on 19 April 2018. The company commenced trading with effect from 1 May 2018.

The address of the Company's registered office and principal place of business is Unit 19, Marina Court, Castle Street, Hull, HU1 1TJ.

The Company's principal activities are stevedoring and the provision of staffing services.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Monetary amounts in these financial statements are rounded to the nearest whole £, except where otherwise indicated.

The financial statements are presented in sterling which is also the functional currency of the Company.

The significant accounting policies applied in the preparation of these financial statements are set out below.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption is dependent upon the continuing financial support of the shareholders.

The company forecasts and projections show that the company should be able to operate within its current facilities, which is the continuing financial support of the shareholders. The shareholders have confirmed a willingness to continue to provide financial support as required to the company.

The directors' are of the opinion that it is appropriate for the financial statements to be prepared on the going concern basis.

ACCOUNTING PERIOD

The company's accounting reference date is 30 December, the directors have chosen to take advantage of the seven day rule and prepare accounts to 31 December.

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Rendering services

When the outcome of a transaction can be estimated reliably, turnover from stevedoring and staffing services is recognised by reference to the state of completion at the balance sheet date. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:-

Motor vehicles	5 years
Office equipment	3 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

TAXATION (continued)

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense unless those costs are required to be capitalised as a tangible fixed asset.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

RETIREMENT BENEFITS

Defined contribution plans

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financial transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade and other debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss were recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

FINANCIAL INSTRUMENTS (continued)

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

DIVIDENDS

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

2. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company. All turnover arises from activities in the United Kingdom.

3. Employees

The average monthly number of employees during the period was as follows:

	19 April to 31 December 2018 No.
Directors and administration	3
Stevedores	80
	<hr/>
	83

4. Loss before taxation and directors' remuneration

The loss before taxation is stated after charging:

	Period 19 April to 31 December 2018 £
Depreciation – owned assets	2,133
Auditors remuneration	6,000
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PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

4. Loss before taxation and directors' remuneration (continued)

	Period 19 April to 31 December 2018 £
Directors' emoluments	40,000
Contributions for directors to money purchase schemes	<u>1,600</u>

The number of directors to whom retirement benefits were accruing was as follows:

	Period 19 April to 31 December 2018 No.
Money purchase schemes	<u>1</u>

5. Taxation

Analysis of tax charge

The tax charge on the loss on ordinary activities for the period was as follows:

	Period 19 April to 31 December 2018 £
Current tax:	
UK Corporation tax	-
Deferred tax	-
Tax on loss on ordinary activities	<u>-</u>

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

6. Tangible fixed assets

	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost			
Additions	6,000	6,000	12,000
Disposals	-	-	-
At 31 December 2018	6,000	6,000	12,000
Depreciation			
Charge for the year	800	1,333	2,133
At 31 December 2018	800	1,333	2,133
Carrying value			
At 31 December 2018	5,200	4,667	9,867

7. Debtors: amounts falling due within one year

	31 December 2018 £
Trade debtors	656,970
Prepayments & accrued income	3,417
	<u>660,387</u>

8. Creditors: amounts falling due within one year

	31 December 2018 £
Trade creditors	208,799
Other taxation and social security	155,381
Other creditors	278,786
Accruals and deferred income	69,639
	<u>712,605</u>

PRECISION STEVEDORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

9. Deferred tax

	31 December 2018 £
Charge to Profit or Loss during the period	-
Balance at 31 December	-

Deferred tax assets of £7,760 arising principally in respect of available tax losses, are not recognised in these financial statements as the directors' consider its recovery against future taxable profits to be uncertain.

10. Called up share capital

Allotted, issued and fully paid

Number:	Class:	Nominal Value	31 December 2018 £
10,000	X Ordinary	£1	10,000
10,000	Y Ordinary	£1	10,000
			<u>20,000</u>

All shares as noted above were issued and fully paid during the period to 31 December 2018.

On incorporation of the company on 19 April 2018, 2 ordinary shares were issued at par of £1.

On 30 April 2018, the ordinary shares previously issued on 19 April 2018 were re-designated as X and Y ordinary shares. A further 9,999 X ordinary shares and a further 9,999 Y ordinary shares were issued at par on 30 April 2018.

Each class of share capital ranks pari passu in all respects.

11. Reserves

Retained earnings represents cumulative profit or loss net of distributions to owners.

12. Related party disclosures

The company is owned in equal measures by two other private limited companies and has provided and been the recipient of services to/from these companies and their trading subsidiaries.

In the period to 31 December 2018 since incorporation, the value of the services provided has been £1,531,986. At 31 December 2018, the company was owed a combined total of £516,840 by these same entities in respect of these services provided.

During the same period, the company has also made purchases and accepted recharges from the same related party entities to the value of £414,452. At 31 December 2018, the company owed a combined total of £147,895 in respect of these transactions.